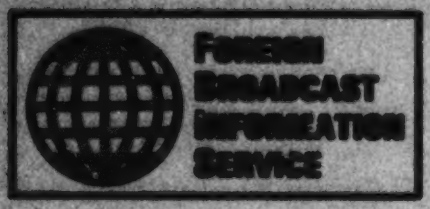

Daily Report

East Europe

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Daily Comments on Berisha's New York Expenses

AU2610162795 Tirana ZERI I POPULLIT in Albanian 25 Oct 95 p 1

[Commentary by the Editorial Board: "Berisha in New York: One Night at the Hotel—$2,000"]

[FBIS Translated Text] The least you can say after you get acquainted with the announcement by the president's press spokesman is the word idiocy.

Any sane person knows how to tell black from white, knows how to distinguish an article in ZERI I POPULLIT from an article in another newspaper, be it American.

Yesterday's article, entitled "Berisha in New York: One Night at the Hotel—$2,000" is not an article in ZERI I POPULLIT, and even less so its invention, as the president's spokesman has unscrupulously lied. It is an article taken from the great authoritative newspaper THE NEW YORK TIMES, of 22 October 1995, written by Elisabet Bumiller [as published].

It appears the president's spokesman does not intend to say that the above fact is not true, but to attack and accuse ZERI I POPULLIT as it always does. Blinded by hatred, they denounce themselves as illiterate and ignorant.

If the fact given by the U.S. journalist is not true, the president's spokesman should present publicly the hotel bills and all other bills of the president during his stay in the United States. Moreover, we would like to ask him to publish all the bills charged by Sali Berisha and his presidential staff from the day he was appointed president.

[Box, p 1]

Announcement by the President's Spokesman

The president's press spokesman said that the article published in ZERI I POPULLIT, "Berisha in New York: One Night at the Hotel—$2,000," is entirely the invention of ZERI I POPULLIT.

President Berisha has never slept in Righa Royal Hotel, but from the very first night of his stay in New York, he stayed at Park Meridian Hotel at a price several times lower that the price ZERI I POPULLIT invents.

Bank Privatization Process, Bill Described

AU2710091595 Tirana GAZETA SHQIPTARE in Albanian 25 Oct 95 p 3

[Report by Ilir Alia: "The Banks Will Soon Be Private"]

[FBIS Translated Text] Tirana—The first step in privatizing the banks will soon be taken. According to the bill soon to be considered by the People's Assembly, the first step will be to transfer ownership of the banks into private hands. The bill has only eight articles and aims to turn the trade banks into trading companies. The method used will be the same as that preferred so far, through privatization vouchers. For the first time, this bill provides for continued policy control by the state during the transitional period from public to private ownership. Even after privatization, the state will continue to own 51 percent of the shares, while the remaining 49 percent will be in private hands. The policy to be pursued excludes risk during this very delicate process of bank privatization.

It is planned that the process of transferring the banks into private hands will be conducted under the existing legislation. The Finance Ministry and the National Bank will guarantee the deposits of the banks' trading system.

The process will not at all affect the payment and accounts system or transactions involving the state budget. This means preserving the integrity of the Albanian accounting system. In the course of the process, the banks must dissolve all the financial relations that they have had among themselves. It is also planned that the Finance Ministry and the National Bank will create a Committee for the Privatization of State Trade Banks. This committee will draw up procedures for the privatization of these banks at a national level. It has been left to the highest government authority, the Council of Ministers, to approve the manner in which these banks will pass from state to private hands.

Starting to privatize the banking system is one of the most important measures of the economic reform launched by the government. This very difficult process has begun in response to the most urgent demands of the economic system that has begun to be constructed in our country. Many economic specialists have considered that "privatizing the banks is an essential process without which there can be no private capital market. Without such a market, there can be no genuine market economy."

Critics of Ethnic Albanian Activists Rebuked

AU2710100195 Tirana RILINDJA in Albanian 19 Oct 95 p 2

[Commentary by Kosovar Albanian R. Reshani: "Are People Tired?"]

[FBIS Translated Excerpt] [Passage omitted] Anyone strolling through our cafes and restaurants, entering bars with the most recherche names, and looking at what our sons and daughters are wearing would not reach the conclusion that "people are tired." The comment

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would also be wide of the mark if one were to look at our city suburbs and villages with their fine two- and three-story houses jutting above the horizon. Most are adorned with satellite dishes and have expensive cars in glittering colors parked in front of them.

Our people are weary of the anxieties that weigh upon their shoulders as a result of the occupation, the murders, the harassment, the trials, the beatings, the raids, and the police persecution. The exodus of young people has sapped their vitality, and abandoned houses and those with signs reading "house for sale" have spoiled the attractiveness of neighborhoods, and are testimony to the major pressures on their inhabitants. Nevertheless, our people are not economically exhausted to the point of disillusion and pessimism. Indeed, some activists of political parties and associations are tired, having seen everything in "black and white," and having imagined that the road toward achieving our aims would be strewn with carpets and roses. One group that is tired are those activists who hastened at the beginning of the 1990's to join the leadership of parties and associations, hypnotized by careerism and greed for power that in practice still does not exist. As soon as they realized that the road to statehood and power is very hard and calls for many sacrifices, a section of these activists themselves withdrew to the sidelines. Some took the road of exile, others passed over to the "opposition" side by assuming the role of cafe and parlor "intellectuals," backstairs legislators, and critics. It is a section of these people who now, without evidence, are leveling extreme criticisms against the Albanian political movement, discounting the results that it has achieved, or predicting a premature and grim end for it. Those who once, when this movement started, wholeheartedly supported programs and statutes in the steering committees of parties and associations, now sling mud at activists who, by keeping abreast of their duties, are showing in practice that their spiritual and physical energies for the road on which we embarked have not deserted them.

This theory of a "weary people" was created by renegade activists who were sorely deceived by their patrons, who may have promised them honors and positions if they succeeded in sowing among the people the seed of pathological disillusion and pessimism. The former activists are now broadcasting disinformation from their bases and redoubts disinformation alleging the misuse of funds by the finance councils, of aid of the Mother Teresa Association, or of the political parties' solidarity funds, although they responded to demands for evidence with duplicity.

Our political movement is not without weaknesses and shortcomings, and its activities are marked here and there by internal friction. There is improvisation, dilettantism, dilatoriness, irresponsibility, irrationality, and complacency. There is plenty of room for criticism, but this criticism should aim to extend our organizational scope, not to attempt to destroy those foundations that have been securely laid. One must be either blind or totally irresponsible to discount the fine work done every day by hundreds and thousands of political activists on the finance councils, the social assistance committees, the charitable associations, the independent trade unions, and the now well-established communal institutions. [passage omitted]

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Czech, Slovak Defense Ministers Sign Agreement

LD2610161595 Prague Radiozurnal Radio Network in Czech 1400 GMT 26 Oct 95

[FBIS Translated Text] Czech Defense Minister Vilem Holan and his Slovak counterpart, Jan Sitek, had their first official talks in Prague today. Pavel (Rijacek) reports:

[Rijacek] The talks of the two ministers were very long and culminated with the signing of an intergovernmental agreement and protocol on cooperation in the sphere of military policy, legislation, payment conditions, and the division of archives—which for the time being excludes the military intelligence archives.

The Slovak minister said that Slovakia's security orientation aimed at joining NATO had not really changed and that media speculations basically amounted just to rumbling.

Responding to the question about recent statements that questioned the post of Slovak president as supreme commander of the Armed Forces, the Slovak minister merely said that the Army had been enjoying more trust than the president in Slovakia. He declined to comment on the very essence of the question.

Regarding the division of the former Federal Army, Holan said that the majority of issues in this sphere have already been resolved.

Lux Criticizes Havel's Foreign Policy Initiatives

LD2610132895 Prague Radiozurnal Radio Network in Czech 1100 GMT 26 Oct 95

[FBIS Translated Text] Today, Josef Lux, deputy prime minister and chairman of the Christian Democratic Union-Czechoslovak People's Party [KDU-CSL], in a surprising move, joined the critics of some of President Havel's foreign political initiatives. Marika Taborska reports:

[Taborska] The KDU-CSL chairman would very much welcome it if President Havel discussed his foreign political initiatives beforehand with the government or, rather, with the Foreign Ministry. Lux made this statement in connection with the president's invitation to Yasir 'Arafat to visit Prague and in connection with the statement about Taiwan made by Havel at the United Nations in New York.

Havel said in New York, among other things, that it was regrettable that Taiwan was not a UN member.

Chairman Lux said that the KDU-CSL considered Havel's statements unfortunate and added that, regarding this matter, the party's views were closer to those held by Foreign Minister Zieleniec.

In the official response, Minister Zieleniec said yesterday that the Czech Republic, like most of the states, recognized the existence of one China and considers Taiwan part of the Chinese territory.

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Kovac Gives News Conference on Return From U.S.

LD2710011995 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1737 GMT 26 Oct 95

[FBIS Translated Text] In the noon Radiozurnal we reported on an extensive news conference that was held by President Michal Kovac upon his return from the United States. Jan Baranek reports:

[Begin recording] [Baranek] There have been reports in our press on the initiatives by Jozef Sestak, Foreign Ministry secretary of state, according to which he appealed to the U.S. President to meet Vladimir Meciar and Ivan Gasparovic, as well as the alleged proposals by Michal Kovac to the U.S. President to meet the Slovak prime minister. Michal Kovac said the following about these reports:

[Kovac] As to Mr. Sestak, I had to smile when we read the information that had been handed in. Naturally, Mr. Sestak did not have separate talks with President Clinton. He was part of a delegation, and, at the end of the talks, he engaged in a dialogue for about a minute and that was all. I did not ask for such talks. I only talked on a general plane, saying that there was a need to intensify the dialogue between the Slovak Republic and the United States at all levels. [words indistinct] I asked President Clinton for a meeting with the prime minister and Gasparovic, speaker of the Slovak parliament. The president did not react to this.

[Baranek] President Michal Kovac reacted also to the question about the demarche of the European Union delivered 25 October:

[Kovac] So far I have not had an opportunity to get acquainted in detail with the contents of the demarche. I would not like to speak about this matter. It is worth noting the fact that it is the second demarche, and, obviously, it signals something. We should pay serious attention to it, perhaps at the next session of parliament.

[Baranek] Michal Kovac said the following about how President Clinton saw our dispute between the prime minister and the president:

[Kovac] We did not talk about the dispute. We talked about the internal political situation, and support was voiced to the president and his democratic efforts in the Slovak Republic, while, during the official conversation, President Clinton stressed that he did not take sides in disputes and that it was our internal affair. But, despite expressing support to the president of the Slovak Republic, naturally, he did not want to interfere in the internal affairs of our country.

[Baranek] During the president's absence from the country, Josef Gajdos, secretary of state at the Defense Ministry, called on Michal Kovac to resign. Michal Kovac, as supreme commander of the Armed Forces, reacted to this fact as follows:

[Kovac] I would like first to state my view: The secretary of state should devote less attention to political problems and to dragging party political interests into the work of the Defense Ministry. He is supposed to attend to professional matters in the Army, he is supposed to make sure that civilian and democratic control over the Slovak Republic Army is strengthened because that is the first and fundamental prerequisite for our ability to integrate into NATO. These proclamations that the secretary of state makes seriously damage the otherwise good name of the Slovak Army and its apolitical character.

[Baranek] The president also proclaimed a vision of the possible consolidation of the domestic political situation in Slovakia.

[Kovac] Everything that causes tension in our society, everything that causes confrontation, and everything that raises doubts among our foreign partners and friends must stop. When that happens—in other words, when we see an end to confrontational politics and the constant raising of tension—a new situation will be created, allowing for normal cooperation between the coalition and the opposition and between the coalition and the president. And that is all. Not much is needed. It is necessary to be aware of the reality, to assess the situation, to show goodwill, and to continue on the path of strengthening democracy and strengthening the principles of a state based on law. If laws have been broken in our country, if laws have been abused in any sphere whatsoever, this must be firmly condemned, political conclusions must be drawn, and we must proceed from there.

[Baranek] Michal Kovac also commented on the fact that Western politicians were reluctant to meet representatives of the present Slovak Government.

[Kovac] I see this fact as yet another expression of disquiet about our internal political situation. We need to realize that this year not one single president has visited the Slovak Republic, nor, I believe, have there been any heads of government apart from Mr. Horn of Hungary and Mr. Chernomyrdin of Russia. We asked what the situation was in the Czech Republic. President Vaclav Havel said he had so many visitors and there were so many on the waiting list that they have had to cut down because they cannot cope with them all. If we again refuse to appreciate what this means for Slovakia, we should not be surprised that we find ourselves in a kind of isolation. My calls for intensified dialogue are actually a reaction to this situation we are in, with heads

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of state not wanting to visit us and with the difficulties we have in arranging meetings or rather invitations for our prime minister to go abroad, to the United States, to Great Britain, to Germany and other NATO or EU member countries. This has to be said openly. It is not wise to hide all this from the public. The public must be well informed about this. It has a right to know this. It is part of the democratic life of our society.

[Baranek] In his reply to a question about remarks he made during a visit to Germany that, according to Vladimir Meciar, allegedly undermine the foreign political position of Slovakia, the president said the following:

[Kovac] I really do not know what remarks these were because what I said in Germany I said publicly at a lecture and in a discussion, so I do not know what in particular he had in mind. I am certain of one thing, and that is that my remarks here at home and abroad have not in any way damaged the good name of Slovakia—quite the reverse; certain remarks and certain policies of the governing coalition are seriously damaging the interests of the Slovak Republic. So the reverse is true. It is not the president's remarks or the president's actions but remarks by representatives of the governing coalition, as well as their policies, that are causing concern and are damaging to us. The latest demarche also indicates whether or not this is damaging to us. I therefore do not know how one can speculate about this situation other than by looking the truth straight in the eye.

[Baranek] Asked by Slovak radio how he explains in his talks [with foreign leaders] the conflict between the government's policy statement, in which we declare ourselves in favor of integration with the European Union and NATO and some of the declarations by coalition politicians, he replied:

[Kovac] I explain this by saying that the same people who at the same time are supporting the government's policy statement in parliament, and those same people or their representatives are in government and support government steps aimed at our integration into the European Union as well as government measures arising from the Partnership for Peace program, those same people simultaneously try to tone their support down like this with contradictory declarations. They [Kovac's foreign negotiating partners] naturally express a certain incomprehension because, if someone in the opposition took such a view, they would be able to understand it, but, when it is expressed by a coalition partner, it simultaneously casts doubt on what is official government policy and what has been approved by parliament in terms of the government's policy statement. So it is very difficult to explain to people. [passage as heard]

[Baranek] President Michal Kovac ended by replying to a question about what will happen if parliament refuses to debate problems it has brought about.

[Kovac] We shall see what happens. [Audience laughs] At this moment, I know only my approach: Being willing to compromise; being constructive and objective; and being willing to pursue political dialogue and eliminate all forms of confrontation, mutual incrimination, and attack. Those are all very simple things, human things, for which actually only goodwill is needed together with seeing the situation realistically and, I repeat, not sticking one's head in the sand, not painting rosy pictures of things, telling people the truth, and telling the truth about oneself. I mean, it will not help if we just lavish praise upon ourselves, such as what a good president he is, what a good prime minister he is, what a good government we have. As far as internal politics is concerned, all that must be judged by our citizens, our public, and, as for abroad, we have to rely on our foreign partners. There is no prejudice against Slovakia, so it is a waste of time to complain that someone wants to see a bleak picture of Slovakia and of developments in Slovakia come what may. [end recording]

You have been listening to an edited recording of a news conference with President Michal Kovac, prepared by editor Jan Baranek.

Polish Paper Interviews President Kovac

WS2610125095 Warsaw ZYCIE WARSZAWY in Polish 20 Oct 95 p 6

[Interview with Slovak President Michal Kovac by Pawel Szukala in Bratislava; date not given: "A War for the Shape of Democracy"]

[FBIS Translated Text] [Szukala] Three years ago, when independent Slovakia was established, you became its first democratically elected president. Today Prime Minister Vladimir Meciar and part of the parliament is accusing you of violating the Constitution, and even of committing high treason. Do you really pose a threat to democracy?

[Kovac] I interpret these accusations as a manifestation of a childhood disease of the democracy of the Slovak people. I do not know anything about my being an enemy of the Constitution or an opponent of implementing policies in the spirit of democratic principles. Since the moment I appeared on the political scene, since 1989, democracy has been the main motive of my activities. It is a fact, however, that there are differences between us as far as understanding of what is and what is not

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democratic. Quite a few representatives of the governing coalition believe that, because the parliament was chosen in democratic elections, whatever it passes is always, by definition, democratic, regardless of whether it limits democracy or not, of whether it is in line with the Constitution or not. This seems to me to be a very superficial understanding of democracy.

[Szukala] What understanding do you propose?

[Kovac] The Slovak Republic is a democratic state that is based on a democratic Constitution. This does not mean, however, that democracy is functioning here as it should. I believe that difficulties regarding the use of democracy in practice are a real problem in all of the postcommunist states. Therefore, I am very cautious whenever I evaluate a law passed by the parliament. I check first of all whether a given law strengthens democracy, whether it provides more room for the activities of self-governments and entrepreneurs and for the activity of towns, gminas [small administrative units], and civil associations. I analyze the laws and check whether they provide guarantees for independent activities of those entities, so that they will be able to function independently of the state. These laws must not limit the principles of a free market. They must, however, limit intervention of the state, which still can be seen in certain spheres—and it is sometimes justified; they must also provide more room for independent, rational activities. I also see to it that the legislature does not pass laws contrary to the Constitution or to legal acts that have already been adopted.

[Szukala] You are accused of imposing your understanding of democracy on others.

[Kovac] I categorically reject such accusations. I am not infallible as far as democracy is concerned. I do not think I am the only person who knows what is and what is not democratic, what is and what is not in line with the Constitution. However, the president's position, no matter who holds this office, specifies his duties—not only to the government, but also to the opposition and the people. I believe that democracratic mechanisms require public control over the activities of the authorities, especially over the activities of the government. Public control cannot be exercised without parliamentary opposition. If it is exercised without its participation, social control is out of the question. If the press, radio, and television do not operate in the spirit of democracy, if they provide one-sided information on the wielding of power in the state, then citizens do not have a chance to assess the authorities objectively.

[Szukala] If we look at your political roots, you are related to the Movement for Democratic Slovakia (HZDS) and to present Prime Minister Vladimir Meciar. Why are you so far away from each other now?

[Kovac] It was a gradual process. However, it began quite obviously as early as April or May 1993, when Mr. Meciar had already been prime minister of free Slovakia for five months, and I had been president for two months. It was then that the first signs of the crisis appeared. Mr. Meciar proposed the recall of Mr. Milan Kniazko (HZDS), deputy prime minister and foreign affairs minister. The prime minister also made an abortive attempt to set up, along with the Slovak National Party, a so-called open coalition in place of the "silent" coalition. I came to the conclusion that, with insufficient support in the parliament, the Meciar government could hardly exist, which would pose a threat to political stability in Slovakia. Therefore, I resolved to invite Mr. Meciar to a meeting and have a word with him. I wanted to ask him for advice; I wanted to see how he would want to resolve the problem. Mr. Meciar, HZDS chairman, to whom I had been subordinated in this party in earlier times, failed to notice that I was holding this talk with him on partnership-based principles and that I did not feel dependent on him. When he finally saw the light, he immediately reminded me that other politicians and I would mean nothing in politics if it had not been for him. He shouted that we should not forget that if it had not been for him, Slovakia would not exist, that it would have broken up, and that, if he left, foreign investors would not spend any money in the country because he is the only person they trust. These statements came as a real shock to me.

[Szukala] What did you do?

[Kovac] It is not true that we would mean nothing had it not been for Vladimir Meciar. Each of us has entered the political scene independently. I also rejected Meciar's opinion that, if it had not been for him, Slovakia would have broken up. I forcefully stressed that if such were his views on the problems that had arisen, it was necessary to try to find an alternative as soon as possible. However, in a friendly manner I stressed that, as coequal partners, we were sentenced to cooperating with each other. After all, I cannot be subordinated to the head of the government. And vice versa, I do not want the prime minister to feel subordinated to the president, even though I am the head of state. We should remain partners. Each of us has his own mission and clearly specified responsibilities. Such was the basis of the conflicts, which became increasingly more numerous as time went by. Basically, this is a conflict over understanding democracy, particularly understanding the role of the individual in a democratic system.

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Soon Mr. Meciar began to discredit me, clearly with a view to replacing the president with a new person.

[Szukala] The governing coalition demands that you tender your resignation. A large attack group has been set up; it encompasses the media, the state administration, and organs of the Internal Affairs Ministry. These attacks are often vulgar and fierce. Has political culture ceased to exist in Slovakia?

[Kovac] I do not think so. This is not a general phenomenon. Lack of political culture manifests itself in certain parts of the society. They are influenced by the governing coalition. If the prime minister and his entourage feel free to launch fierce and vulgar attacks on the head of state, this certainly is an example for those citizens who are trying to find models to follow among public figures. They simply believe that such behavior is admissible. As is known, what is in vogue quickly becomes quite popular. These people do not always realize that this is not an example of political culture. I believe, however, that a greater part of the society acts honestly; they are against confrontation and in favor of dialogue. Because this is the part of society that in the past did not get involved in politics as actively as others, today these people are not very noticeable. However, recent weeks have confirmed that they are also capable of being quite active in this field. They took part in a few rallies—here in Bratislava, in Kosice, in Presov, as well as in several smaller towns. When I meet with them, the rooms are always full and people are behaving peacefully. However, journalists do not report on that. They always notice whatever is more noticeable, offensive, and vulgar....

[Szukala] How much interest do the ordinary people take in the "war at the top"? What price are they paying for this situation?

[Kovac] I believe that a considerable part of society is seriously disturbed by the war, and it is a painful experience for it. It is not helping Slovak citizens overcome everyday problems. However, they certainly are not indifferent to public issues. Citizens are paying for this in the sense that public figures are spending their energy on personal political fights instead of other things. If they used this energy to try to jointly find good solutions, ordinary citizens would see an improvement in their wallets. The social atmosphere would be different. Thus, the possibilities are great and so are the losses caused by political fighting.

[Szukala] Do you see a chance to overcome the problems Slovakia is currently facing?

[Kovac] I am an optimist. I always believe that positive values and trends will prevail. I believe that now that we have made some democratic achievements we will find a way out of this situation. This will strengthen democracy and the institution of a legal state. Citizens will not be manipulated; they will be included in active politics in their circles. They will fully participate in the life of society. After all, such is the sense of a democratic system.

We would like citizens who used to be nothing more than "identity card numbers," citizens who could not make decisions or think independently, to be sovereign people. We want them to know that the state and its instruments are here to serve them, not to be used by others, who want to lord it over them. Authorities must serve the people.

[Szukala] According to various sources, approximately 68 percent of Slovak citizens are Catholics. Have church officials taken a clear-cut stand on the situation in the country?

[Kovac] I must stress that, after parliament passed the vote of no-confidence in me (the Constitution does not envision this—note by P.Sz.), a response came from many citizens and associations. The Conference of Slovak Bishops also took a stance on the issue. It supported the president; it decided that he should continue his mission, despite the decision made by parliament. During my numerous meetings with high officials of various churches, I received definite support as president. The officials themselves noted that our democracy is now in a crisis. I also received many letters of support from ordinary citizens. I meet with understanding practically every day.

In earlier times I did not feel that—neither the people nor I needed this. Now they have awakened and feel the need to express their opinions. This is very important to me. I am following very closely the results of various opinion polls. I am always among the three top persons, and quite often I am at the very top of the list. Thus, I enjoy quite considerable support among the people.

[Szukala] Does the current political situation affect the economic reforms and privatization processes in any way? Right after Czechoslovakia split up, one could see opinions, especially in the Czech press, that the Slovak economy would not survive the divorce....

[Kovac] These forecasts have proved to be false. These were opinions that resulted from a lack of good ill rather than from real analyses. At that time I was absolutely convinced that Slovakia would prove its abilities as a separate state. We are not different from Poles. Of course, we had less experience in administering public issues. Even though we had the Slovak Republic, most of the central-level decisions were made in Prague. I

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realized that, in the initial period, the trade turnover between the Slovak and the Czech Republics would go down, especially when it turned out that it was impossible to maintain the monetary union, that it was indispensable to set up two independent financial systems and to change the payment system between them. At the same time, I believed that the foundations of democracy and a market economy would provide room for the people's activity and initiatives. I knew that employees of banks, the Finance Ministry, and other ministries had mastered the ABC's of the functioning of the state system in a market economy. The first results could be seen as early as 1994, when economic growth was achieved, the money market was stabilized, and tight reins were kept on inflation.

Thus, it turned out that we have good specialists who are in control of the regulatory instruments, which makes it possible to guarantee macroeconomic stabilization of the country.

[Szukala] Slovakia, the Czech Republic, Hungary, and Poland want to join the European structures and NATO. What obstacles do you see in our way?

[Kovac] There should be no obstacles. What I could treat as an obstacle results only from my subjective point of view. There is, however, one condition: Our countries must be fully democratic. They must maintain good relations with their neighbors, and their internal situation must be stable. We must all be sure that none of us will create any problems in the European structures and NATO, problems caused by lack of maturity and readiness to perform the duties resulting from membership.

I believe that, along with Poland, the Czech Republic, and Hungary, Slovakia has equal chances. It is also necessary that we all keep our eyes open and pay attention to what stances are taken by our potential partners in the EU and NATO. If they talk about defects in the functioning of democracy in our countries, we must accept this. We must not ignore it. We must keep making comparisons with our neighbors and analyze the differences. Today we know that some phenomena are assessed by our partners as negative departures from certain standards. If we did not try to adjust them to our partners' conceptions of democracy functioning principles, this might make our road to the EU and NATO longer.

[Szukala] Moscow is against our integration into NATO. Does this not disturb you?

[Kovac] I understand Moscow's stand. In the minds of Russian citizens, just as in our minds, there still are many convictions left over from the past. It seems to them that the world is still divided. Even though today there are no two powerful military blocs or two ideologies or two different sociopolitical systems, there still are fears regarding everything that is going on west of Russia. Politicians must take that into consideration, especially now that the elections in Russia are drawing close. The situation is bound to change after the elections.

[Szukala] How can human thinking be changed?

[Kovac] It can be changed by explaining how the all-European security system works, a system the Russian Federation is a part of. Even though it has joined the Partnership for Peace program, this is not reflected in politics at the moment. I believe that NATO expansion should be accompanied by development of the Partnership for Peace program by Moscow and the alliance. Then fears could be dispelled and it would turn out that NATO is not a tool aimed at Russia and that it is not an instrument of the superpower positions of the United States or EU—on the contrary. NATO is a military alliance, whose main purpose is to strengthen democracy and to guarantee it.

Democracy cannot be threatened by any nation or state. Democracy may be threatened by superpower plans of narrow groups that would like to govern undemocratically. Therefore, I see no reason that the organization that is to strengthen democracy in Europe should ignore the interests of the Russian people.

[Szukala] Is there a future for the Visegrad Group and the Central European Free Trade Association [CEFTA]?

[Kovac] Yes, there is. Before we become members of the EU, we should fully develop our own possibilities, especially in the area of the economy. Trade turnover within CEFTA is on the increase, but this is just a drop in the ocean of the real possibilities. There are huge reserves. If we use them, this will draw us closer to the EU.

[Szukala] Mr. President, as recently as three yeas ago Poland and Slovakia contacted each other "via Prague." Now our relations are entirely different. What should be the priority in Slovak-Polish relations?

[Kovac] Today we must first of all try to provide better conditions for our people and for our entrepreneurs. We must build new communications routes and develop trade relations. We must not pass up any opportunity to develop road and railway transit, as well as oil and gas pipelines. Many issues have already been settled. Many still require decisions. The same goes for border-area cooperation. A lot is to be done here as well. We must build new border-crossing sites. All of this will contribute to the development of trade among

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our countries. We also need other modern forms of cooperation. We must set up joint companies, have joint capital investment, and cooperate on third markets. This is only the beginning. Even though we have been neighbors for a thousand years, we did not always have a chance to take advantage of this fact. We have this opportunity now—at the end of the millennium. I am happy that there are many contracts and agreements between Poland and Slovakia. Work on some of them needs to be completed yet. First and foremost, we must use the reserves within CEFTA.

[Szukala] Thank you for the interview, Mr. President.

Pospisilova: EU Memo to Meciar Misinterpreted

LD2610202495 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 26 Oct 95

[FBIS Translated Excerpt] [Announcer] As we have already reported, Prime Minister Vladimir Meciar received envoys of the European Union yesterday. Magda Pospisilova, director of the Government Office Press and Information Directorate, who spoke to journalists about the 15-minute meeting, said that the Slovak side will not take any stance until Madrid and Brussels have released a press communique.

She said it was not a demarche that the envoys handed to the Slovak prime minister but an aide-memoire or the minutes of the meeting, containing an explanation of their special discussion.

However, today's press carried reports to the contrary. We therefore asked Magda Pospisilova, the prime minister's spokeswoman, for an explanation.

[Begin Pospisilova recording] I am sorry to say that, although we issued a notification via the Slovak news agency TASR that the European troika envoys would be received by Prime Minister Vladimir Meciar, very few journalists attended the news briefing after the meeting. I think that, given their interest in obtaining firsthand information, the disinformation carried by the daily PRAVDA would not have materialized. [passage omitted]

Neither the Government Information Directorate nor Prime Minister Vladimir Meciar was interested in concealing, or rather distorting, information. This followed a consultation with the ambassador of the [EU] presiding country, who said that he would not brief journalists because the European Union would release the official press statement in Brussels and Madrid.

I regard the incorrect interpretation as a demonstration of the lack of professional attitude on the part of a particular journalist. [passage omitted] [end recording]

[Announcer] Since this is a delicate issue, Magda Pospisilova, the prime minister's spokeswoman, declined to comment on other questions. [passage omitted]

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Horn Discusses Language Bill With Officials

LD2610185695 Budapest Kossuth Radio Network in Hungarian 0545 GMT 26 Oct

[FBIS Translated Excerpt] Hungarian Prime Minister Gyula Horn and representatives of the Hungarian coalition Coexistence of Slovakia on 25 October discussed the so-called Language Bill approved by the Slovak Government on 24 October. [passage omitted]

Zoltan Hortobagyi spoke to Coexistence chairman Miklos Duray at the press briefing held after the talks and to Csaba Tabajdi, politic[illegible] state secretary at the Prime Minister's Office.

[Begin recording] [Duray] As a result of this bill, although it does not say it explicitly, the use of every language with the exception of Slovak will fall under the rule of special permission, or the use of these languages would be limited to households. It also applies to education, for it rules that textbooks can only be published in the state language [Slovak], and the language for education is also the state language, although, in half a sentence, the bill allows that lower level legal regulations can decide on it [the use of other languages].

[Hortobagyi] Could Coexistence and the other parties have done more to prevent this Language Law from being drafted in this form and, if the answer is yes, what have they done so far?

[Duray] So far we have only used political means. The use and effectiveness of political means, however, are minimal in today's Slovakia.

[Hortobagyi] Is it not possible that one of your earlier statements, that the Little Entente is actually being reorganized against the Hungarian Republic, have contributed to the fact that this bill happened to be so strict? Although this has not been approved by parliament, it seems there is little chance of changing it.

[Duray] Although there is no chance of reorganizing the Little Entente from the aspect of international law, the three countries surrounding Hungary—Serbia, Romania, and Slovakia—have a basic interest in forming a cooperation agreement similar to the Little Entente and, we have to stress, not only against Hungary. Hungary is not an enemy or an opponent of these countries, this is not taking place for that reason, but to ruin the Hungarian community living in their territories. It is not me who started to raise this issue but the Slovak president and the Slovak prime minister have initiated cooperation which unmistakably reminds us of cooperation within the Little Entente, more precisely, the former Little Entente. [passage omitted]

[Hortobagyi] Is there any point in considering the Slovak-Hungarian Basic Treaty valid, if domestic measures which seriously violate minority rights are taken in Slovakia?

[Tabajdi] It is possible to confront the Slovak Government's activity with all those principles, norms which were already agreed on by Slovakia, independently from the ratification. The minority paragraph of the Hungarian-Slovak Basic Treaty is very important because it provides a legitimate opportunity for Hungary to monitor the life of the Hungarian community in Slovakia, since the 16th paragraph of this document stipulates that the minority issue is not a domestic issue. This also means that our requests raised at interstate talks should comply with the norms laid down in the basic treaty.

[Hortobagyi] What is the Hungarian Government's position on Miklos Duray's view, that the Little Entente is being reorganized against Hungary?

[Tabajdi] I do not know the grounds for Mr. Duray's view. I do not think that more serious signs of this could be seen. There is a certain coincidence here, that there are certain restrictions simultaneously in Romania, Vojvodina, and Slovakia. However, from all this I would not draw the conclusion that a new Little Entente is being organized here. Furthermore, it is a very important task for Hungarian foreign policy that, if any signs of this are seen, everything should be done to prevent it.

I think it would be expedient if leaders of Hungarian communities beyond the borders thoroughly considered the possible consequences of their statements before they spoke. [end recording]

Three Percent GDP Increase in 1994 Explained

AU1110082395 Budapest NEPSZABADSAG in Hungarian 7 Oct 95 pp 1, 10

[Article by Katalin Bossanyi: "Three Percent Growth"]

[FBIS Translated Text] The economic growth in 1994 was 3 percent: This is the threshold that is felt as an improvement, not only by the statisticians, but even by entrepreneurs, Tamas Katona, chairman-in-charge of the Central Statistical Office [KSH], said. It is true though that, as a result of the former deflation of the market, this performance is the same as in 1978. Calculating it on purchasing power parity, Hungarian per capita GDP exceeds $6,000. However, this does not change the fact that the difference, for example, from Austria is growing.

According to the KSH's estimate published in the spring, GDP had grown by 2 percent in 1994. This

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data was questioned by political and professional circles saying it is lower than could be deduced from other data. However, according to the KSH's current assessment, the 1994 GDP was 4,350.9 billion forints [Ft], which, compared with 1993, means a 2.9-percent growth. What is the reason for this difference and where did the accelerating growth stem from?

Tamas Katona said: The spring calculation was based on preliminary data. They could then only use demand and consumption—personal and investment—figures for their calculations, while the current GDP calculation also includes the data of income statements by enterprises and companies.

Katona believes that the level of 1994 growth is decisive from the viewpoint of the economy's state. The trend changed direction: From 1990, the GDP had been swiftly falling for years, and even in 1993, when the economic policy expected 0- to 1-percent growth, the GDP continued to decrease. However, 1994 had a 2.9-percent growth: Even according to international assessments, the 3-percent threshold is the value that is perceived as growth even by entrepreneurs and the population. Unfortunately, the basis is very low; therefore, the favorable performance of 1994 only means that we again reached our 1978 level. Naturally, this is of a different quality because the economy had gone through fundamental changes in the meantime. Accumulation was the main motivation for last year's growth, it increased by 16.3 percent, investments increased by 12.2 percent and, in connection with this, the performance of the construction industry grew by 10 percent. The fact that, from the aspect of added value, the financial sphere—primarily through insurance services—grew by 30 percent indicates the change of the economic structure. Within the production of the GDP, the share of industry dropped and that of services increased. (This can be markedly shown in nonmarket services, in administration, in the health service, and in social provisions.) It is noteworthy that the income at the disposal of households increased by more than 4 percent in 1994: This ended up in savings, rather than consumption. It is favorable that the income of the entrepreneurial sphere increased and so did exports. Compared with the previously published data, this reduces the 1994 foreign trade deficit by Ft10 billion. This clearly indicates that an increase of investments and exports determined the 1994 growth, Katona emphasized.

In reply to our question to what extent they measure the immeasurable, Katona said that the statisticians included the hidden economy in the current GDP figures through various calculation methods. Their calculations prove that this does not significantly influence the growth rate. According to Katona, contrary to the common belief that a third of the domestic product comes from the hidden economy, the unaccounted proportion of the hidden economy can provide 10 percent of the GDP.

What level of development does 1994's per capita of $4,019 mean? Katona indicated that Hungary is maintaining it "medium developed" status, but in a changing European power order, this—today still—points in the direction of slipping back rather than catching up. He said that throughout the world, the national bills are calculated in the national currency and also shown in U.S. dollars. It follows from this that the $4,019 per capita is not an adequate indicator for comparing the development level of countries. Another indicator also exists—this is called purchasing power parity—in which the prices of various services and products are individually compared, and this is more suitable for showing the real differences. In this calculation, the Hungarian per capita GDP is $6,100.

This kind of joint work has been conducted for a long period between Hungary and Austria. If we take the Austrian GDP as 100, then, for example, in 1985, the Hungarian GDP was 45 percent of this. However, the 1993 comparison only amounts to 32 percent, and the same value also stands for 1994. Therefore, the gap is widening between Austria and Hungary. It is true, though—Katona added—that Austria is also developing more rapidly by comparison with the EU countries: Its relative positions are improving while ours are worsening. Of the former socialist countries, the Slovene and the Czech GDP's are higher than Hungary's. The Polish GDP is now 25 percent of the Austrian. (The other countries have much lower proportions.) As Katona said, it follows from all this that if we want the difference between the average of the EU countries and Hungary not to increase, then we must produce some 4- to 5-percent average annual economic growth in the coming years.

As to the growth prospects for 1995, Katona said: The statisticians do not make forecasts, they only draw conclusions from measurable data. The KSH is now preparing to make itself able to measure quarter year economic growth in addition to the annual GDP. However, this work has not reached the stage in which they could make a detailed estimate for 1995. From the seven-month figures of production, investment, and foreign trade, it can be concluded that growth can again be expected this year. However, as inflation is high and other circumstances also influence GDP, they do not wish to make predictions.

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Total of Gross Domestic Product (GDP)

	At Current Price	Previous Year	Per Capita GDP
	(Billion Forints)	Percent	
1992	2,935.1	97.0	$3,599
1993	3,537.8	99.2	$3,734
1994	4,350.9	102.9	$4,019

Warning Strike at Paks Nuclear Power Station

LD2710003095 Budapest Kossuth Radio Network in Hungarian 1800 GMT 26 Oct 95

[FBIS Translated Text] There will be a warning strike in the Paks nuclear power station. Privatization Minister Tamas Suchman had talks with the strike committee until midnight last night and promised that at its next session, the government will discuss and will probably meet the demands of the Paks employees, namely, that wages should be increased in proportion with more successful performance. However, the trade union committee has still decided that a warning strike will be held in the nuclear power station on Monday morning [30 October] between 0800-1000 hours [0700-0900 GMT], but it will not be felt in the country's energy supply.

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Federation Leaders Meet With Croatia's Tudjman

LD2610230695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1900 GMT 26 Oct 95

[FBIS Translated Excerpt] Kresimir Zubak and Ejup Ganic, president and vice president of the Federation of Bosnia-Herzegovina respectively, have held talks with Croatian President Franjo Tudjman in Zagreb. They discussed the recent Madrid meeting of the friends of the federation, the meeting in New York, and the forthcoming talks in Ohio. After the talks, Nada al-Issa spoke to Kresimir Zubak and Ejup Ganic.

[Al-Issa] The Government of the Federation of Bosnia-Herzegovina will soon be set up, and the authorities of the so-called Herzeg-Bosnia will automatically cease to exist. This was agreed at the recent meeting of the friends of the federation in Madrid. This has also been confirmed by Kresimir Zubak, president of the federation. Here is what he said about that:

[Begin recording] [Zubak] When the federation starts to operate fully, Herzeg-Bosnia and its state institutions will cease to function. This is not a contentious issue at all. In the meantime, we have agreed, we have reached certain agreements to this effect, and we hope they will be confirmed in the parliament [words indistinct] a transitional period.

[Al-Issa] Which parliament? The federal?

[Zubak] The constituent parliament of the federation. We have agreed — and I think that this will happen at the beginning of December after we return from the United States — to put this on the agenda, which means to form one government with all the powers on the territories under the control of the Croatian Defense Council and the Army of Bosnia-Herzegovina. [Word indistinct] Mr. Ganic and I cooperate well with and have reached many agreements. We cannot realize them in practice just because we did not have a government with such powers. It is therefore necessary to have such a government.

We have to separate clearly the competences of the government of the federation and competences of the government of the Republic of Bosnia-Herzegovina. The latter's competences will be reduced. In this transitional period this government will have very limited competences. [end recording] [passage omitted]

Ganic on Need for Croatian Support

LD2610220695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1900 GMT 26 Oct 95

[Report on interview with Kresimir Zubak and Ejup Ganic, president and vice president of Bosnia-Herzegovina Federation, by correspondent Nada al-Issa concerning their meeting in Zagreb today with Croatian President Tudjman]

[FBIS Translated Excerpt] [passage omitted] [Al-Issa] Dr. Ganic, did you today, as vice president of the federation, make any concrete request of the Croatian president for help to enliven the federation, as they say?

[Ganic] The federation is developing within Bosnia-Herzegovina and the Republic of Bosnia-Herzegovina. As you know, the federation covers territory where the Bosniaks and Croats are in the majority. We had an exchange of views today. Mr. Zubak and I have taken some steps to accelerate the development of the federation. However, you know that the most important task of Bosnia-Herzegovina's foreign policy is the building of more profound relations with the Republic of Croatia. This meeting in Croatia was an opportunity to analyze some standpoints and harmonize views. Naturally, we discussed how to strengthen economic cooperation, improve road communications.

[Al-Issa] And did you discuss something that many are now saying is hampering the development of the federation — namely, the problems in one or two places with the return of displaced persons?

[Ganic] Mr. Zubak and I are supposed to find solutions to these problems. We should be the ones to find the solutions, and Mr. Zubak and I are working on this. What was important at this meeting, apart from the global exchange of views on the forthcoming negotiations, peace in the region, reconstruction and so on, was the fact that Croatia should give support, political support, to the formation of the federation and all other support, because, let us be realistic, the Croatian Democratic Union [HDZ] is the leading political party among Croats in Bosnia-Herzegovina and, of course, is the leading party here. So realism is important in politics. On the other hand we also discussed the further strengthening of Bosnia-Herzegovina and the search for solutions that will be stable solutions. [passage omitted]

Zubak, Ganic Comment on Talks

LD2610201695 Zagreb HTV Television in Serbo-Croatian 1830 GMT 26 Oct 95

[FBIS Translated Excerpt] Croatian President Franjo Tudjman this morning had talks with the Bosnia-Hercegovina Federation president and vice-president, Kresimir Zubak and Ejup Ganic respectively. [passage omitted]

Following the talks, Zubak and Ganic made the following statements:

[Begin Zubak recording] We have briefed the Croatian president about our talks in Madrid. Once again we have

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jointly confirmed that the building of the federation is a necessary process that is in the interest of our two nations. It is only after the federation has been fully established that we can count on the reconstruction of Bosnia-Herzegovina, restoration of a fair peace, and a political and legal solution for the entire territory of Bosnia-Herzegovina. [end recording]

[Begin Ganic recording] We have had talks about the global policy. For us in Bosnia, the most important part of our policy is to build relations with the Republic of Croatia. Mr. Zubak and I are working on strengthening the government of the federation, on creating a new federal government that will be the only one capable of managing the economy, looking after traffic, collecting taxes. This is the basis of the federation — this will unite the federation.

On the other hand, with regard to the forthcoming negotiations that both Mr. Zubak and I will attend, we had in mind that the federation should take part in them as an already set-up entity. The aggressor's strategy will be again to try to sow discord between the Bosniak and Croat nations. [end recording]

SDA Briefs Journalists on Federation, Peace

AU2610193695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 26 Oct 95

[Report by Mladen Bosnjak]

[FBIS Translated Text] The Party of Democratic Action [SDA] held a regular news conference in Sarajevo today. Journalists were addressed by Mirsad Ceman, secretary general of the party, and Ismet Grbo, director of the Center for Analysis and Public Relations. Mladen Bosnjak reports:

[Bosnjak] The topics of today's news conference were the SDA's stands on the project of setting up the federation in light of decisions and conclusions of the SDA Executive Council's session in Konjic on 20 October.

Secretary General Mirsad Ceman presented the core of what has been decided. Mr. Ceman stressed that the SDA's Executive Council has accepted the conclusion that the federation project is also of vital interest for the Bosniak people. As he said, this reinforces the current view that a federation of Croats and Bosniaks has no alternative. The SDA's Executive Council has also accepted the view that the speedy establishment of the federation necessitates the physical [personalno] separation of the government of the federation and the government of the republic.

Individual [words indistinct] have not been discussed yet. It is possible that some new ministries will be set up. According to the SDA, the foreign policy, internal affairs, and defense and monetary issues must remain in the sphere of competence of the future physically separated republican government. The SDA makes the physical separation of the federal and republican governments conditional upon, as Mr. Ceman said, the automatic end of functioning of the government of the temporary administrative arrangement called Herzeg-Bosnia.

Mr. Ceman said that the SDA Executive Council on 20 October accepted the assessments by domestic and foreign circles and politicians that the federation project is not being realized at the expected and the necessary pace, and that the representatives of the SDA and the Croatian Democratic Community will soon meet at the top level to discuss ways how to boost the process.

In his introductory speech, Secretary General Mirsad Ceman also emphasized the SDA's stand on a unified federal army, an army that every citizen of Bosnia-Herzegovina will trust, and not feel insecure and seek protection in national military units.

In their answers to journalists' questions, both Mr. Ceman and Mr. Grbo stressed that pressure will be exerted on our delegation at the upcoming round of peace talks to make further concessions, but that a firm platform has been formulated from which our negotiating team will not depart.

Regarding the participation of Russian troops within NATO in Bosnia-Herzegovina, they stressed that it was not acceptable for any military force, regardless of the country they come from, to have its special territorially defined area of responsibility. In other words, the SDA simply demands that NATO forces be completely mixed.

And finally, here is the SDA's answer to a journalist's question concerning the prevention of the Bosniaks to return to Jajce. Mr. Ceman stressed that it was unnecessary to place this problem in the wider context of the general problem of return of refugees and displaced and expelled persons, and that the Croat side's explanation that the safety conditions are preventing the return of the Bosniaks to the town was not acceptable.

RS Assembly Head 'Optimistic' Over Peace Talks

LD2610180695 Belgrade SRNA in Serbo-Croatian 1748 GMT 26 Oct 95

[FBIS Translated Text] Sarajevo, 26 Oct (SRNA) — Momcilo Krajisnik, president of the People's Assembly of the Serb Republic [RS], today said that the talks in Dayton, Ohio, were "the most serious chance so

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far for achieving peace in former Bosnia-Herzegovina, compared to all other talks, which failed miserably."

"We are optimistic but cautious since there is a realistic danger of Croatia attacking eastern Slavonia, which has blocked the peace process," warned Krajisnik in his statement for Obrenovac radio.

Speaking about the independent approach of the RS delegation vis-a-vis the Yugoslav one led by Slobodan Milosevic, Krajisnik said that the two delegations would protect Serb national interests during the peace talks to the same degree, and stressed he did not doubt the sincerity of representatives from the Federal Republic of Yugoslavia.

Stressing that the Serbs would not go against their interests — the minimum demands being adopted in Geneva and New York — the president of the RS parliament said this was the reason why the RS delegation was going to the Ohio meeting with a feeling of relief, the meeting at which the Serb people will be consistently protected and defended.

"There could be certain oscillations in Ohio, but we have warned EU peace mediator Carl Bildt that we shall not accept any additional demands by the opposing side, nor shall we be prepared to get dragged any deeper into the Bosnian union than was agreed in Geneva and New York," said Krajisnik.

Asked to comment on the Moscow summit, scheduled for 31 October, Krajisnik said it was a concession to Russian President Boris Yeltsin on the eve of the elections, "just like the concession the international community made to U.S. President Bill Clinton."

"Unfortunately, we are just a testing ground for scoring political and military points. However, we are glad that Russia has finally joined the peace process," said Krajisnik.

Karazdic: 'Occupied Territories Will Be Returned'

LD2610221995 Belgrade SRNA in Serbo-Croatian 2047 GMT 26 Oct 95

[FBIS Translated Excerpt] Banja Luka, 26 Oct (SRNA) — A session of the municipal committee of the Serbian Democratic Party [of Serb lands — SDS SZ] was resumed in Banja Luka this evening. A discussion focused once again on the military and political situation in the Banja Luka region.

Before the discussion Radovan Karadzic, president of the Serb Republic and chairman of the SDS SZ, who is attending the session, briefed those present on the results of a recent meeting with Serbian intellectuals from Serbia and the Serb Republic [RS] in Bijeljina, and the talks of the RS parliamentary delegation with President Slobodan Milosevic in Belgrade. [passage omitted]

Speaking about the forthcoming meeting in Ohio, Karadzic stressed the need for "our delegation and members of the expert team to prepare in the best possible way for any situation, and to campaign for the best possible position concerning statehood and a high degree of independence within the union."

The RS president also said that our delegation and the delegation of the Federal Republic of Yugoslavia took on the obligation "to demand the return of the occupied towns in the western part of the RS at all costs and refuse to recognize the results of the aggression on the part of Croatia and NATO air force."

At the end of his introductory speech, Karadzic said that the Serb side possessed information that showed that "the international community will adhere to the situation on the ground from 8 September as a basis for the territorial separation, which means that the occupied territories will be returned to us."

'Intellectuals' Advise Karadzic

AU2710104895 Belgrade NASA BORBA in Serbo-Croatian 25 Oct 95 p 8

[Report by S.N. Adamovic: "How To Achieve Peace"]

[FBIS Translated Text] A 14-member delegation of Serbian intellectuals (close to the Pale leadership) two days ago held talks with Serb Republic [Bosnian Serb-held territory in Bosnia-Herzegovina] President Radovan Karadzic during the session of the Bosnian Serb assembly. As we have found out, the delegation consisted of Dobrica Cosic [former FRY president], Slavko Leovac, Ljubomir Tadic, Rajko Petrov Nogo, Gojko Djogo, Milorad Ekmecic, Veselin Djuretic, Nikola Popovic, Bogdan Jermedzija, Budimir Kosutic, Brana Crncevic, Dragos Kalajic, and Kosta Cavoski.

The delegation arrived from Serbia in Bijeljina at the invitation of the Serb Republic president, who, our source claims, "wanted to hear the views of well-meaning people from Belgrade with whom he had cooperated before, prior to the departure of the Serb delegation to the United States and the beginning of joint preparations with the FRY delegation." As the assembly was also to adopt the platform for the Serb Republic delegation at the talks, the guests from Belgrade, among whom there were historians and lawyers, suggested to Karadzic what this platform should look like. They suggested that the Serb side at the talks should detail what its future relations with Serbia, that is the FRY, should be, and that it should insist on confederal ties with the mother country.

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Also the guests from Belgrade stressed that the Serb side should pay particular attention to regulating the status of future foreign troops in Bosnia. As our source claims, they advised the Serb Republic leadership that "the future status of refugees should be solved reciprocally, meaning that they should insist that, when it comes to the return of refugees, an equal number of Serbs, Croats, and Muslims should be allowed to return." The Belgrade delegation also advised the Bosnian Serbs to beware of which powers would be transferred to the possible common Bosnian government. The lawyers gave several examples of solutions in similar cases that should help the Serb delegation in Ohio defend the "desired loose ties" in the future state.

They of course also discussed the form of the peace deal that is on offer to the Bosnian Serbs, which, as NASA BORBA source says, "gives rise to the hope that the same will be signed, at least as far as the Serbs are concerned."

Posavina Residents Oppose Serb 'Corridor of Death'

AU2610170995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 26 Oct 95

[Report by Dzevad Suslagic]

[FBIS Translated Excerpt] At today's news conference organized by the Council of the Assembly of the Bosnian Posavina and the Association of Northeast Bosnia, Derventa, and Bosanski Brod, it was stated clearly that the Bosnian Posavina must remain a unified, multiethnic canton in the federation. This rejects the idea of a Serb corridor that would separate Posavina and Bosnia. This was stated by Rifart Mulabegovic, head of the assembly of this regional community. Dzevad Suslagic reports:

Let us recall, Posavina is an area consisting of eight municipalities covering 2,600 square kilometers. Before the aggression, there were 360,000 people living in this area. According to the last census, the Croats make up 36 percent, Bosniaks 29 percent, Serbs 27.5 percent, and other nationalities 7.6 percent.

After heavy fighting, starting with Lijesce near Bosanski Brod and Derventa, where 1,200 citizens were killed and 2,500 wounded, some 80 percent of the total population of Posavina has been expelled. They are now temporarily living in countries ranging from Iceland to Hong Kong.

The speeches made by other representatives of this association, such as Nedo Pozderac-Buljan, Muhamed Muhic, and others, confirmed the determination of the people of Posavina to see the war criminals removed from the peace process and all expelled and displaced persons returned to their home. The especially stressed that no one has the right to sign or allow a 20-km wide corridor of death, as the aggressor is demanding. This would mean the division of Bosnia and its [words indistinct] this historically, economically, and culturally unified multiethnic region. [passage omitted]

Tuzla Governor Opposes Serb Rule in Bosniak Area

AU2610195695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 26 Oct 95

[FBIS Translated Text] Izet Hadzic, governor of the Tuzla-Podrinje Canton, today sent a letter to Alija Izetbegovic, president of the Presidency of Bosnia-Herzegovina, and Ejup Ganic, vice president of the Federation of Bosnia-Herzegovina, in which he briefed them on the conclusions of the Assembly of the Tuzla-Podrinje Canton on the issue of the Bosnian Podrinje. The letter stresses, among other things, the following:

The Bosnian Podrinje, where the Bosniak people constituted the absolute majority before the aggression on sovereign Bosnia-Herzegovina, cannot be considered part of the some Serb entity, according to any criteria. The Serb aggressor has carried out a brutal genocide against the Bosniak people in the Bosnian Podrinje municipalities of Bijeljina, Zvornik, Vlasenica, Bratunac, and Srebrenica.

We, therefore, take the view that the place of these municipalities in the Bosnian Podrinje is in the Tuzla-Podrinje Canton of the Federation of Bosnia-Herzegovina. Any other solution would represent an unforgivable precedent in the history of mankind and would have catastrophic consequences for world peace, the letter sent by Izet Hadzic, governor of the Tuzla-Podrinje Canton, states.

U.S. Envoys Hold Talks With Bosnian Military

LD2610222595 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1900 GMT 26 Oct 95

[FBIS Translated Text] Army General Rasim Delic, commander of the Bosnia-Herzegovina Army, and Major General Tihomir Blaskic, chief of the HVO [Bosnian Croat forces] general staff, had talks in Sarajevo today with Mr. (Server) and Mr. (Sval), special political and military envoys of U.S. President Clinton. They discussed the role of NATO in Bosnia-Herzegovina and the possibility of establishing an army of the federation.

During the talks, which according to those taking part were exceptionally useful, consideration was given to the current situation in the Bosnia-Herzegovina combat

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zone, possible military options, and the role of NATO forces in the implementation of any peace agreement that might be signed, as well as further steps in the development of a federation army.

Generals Delic and Blaskic set out the standpoints of the Bosnia- Herzegovina Army and the HVO on the above issues, and these were fully harmonized. The meeting also considered issues that are important for the functioning of a federation army, something that will, in the period ahead, also involve special teams of the U.S. Army.

U.S. Official Cancels Trip To Probe Atrocities

AU2610145795 Paris AFP in English 1437 GMT 26 Oct 95

[FBIS Transcribed Text] Zagreb, Oct 26 (AFP) — A senior US human rights envoy on Thursday [26 October] cancelled a planned flight to northern Bosnia to investigate reported crimes against humanity, a US official said here.

He said the trip, by US Assistant Secretary of State John Shattuck, had been cancelled because of "bad weather" in the area.

US officials had said earlier that Shattuck had been flown to the Bosnian Serb stronghold of Banja Luka by helicopter, after getting assurances from Serb officials that he would be guaranteed "full access to areas where he believes crimes against humanity are being committed."

Asked later for information of the visit, the embassy reported: "He had to cancel. He went to the airport and we believed he was airborne but he actually never left the ground. The reason was purely the bad weather at the other end. There was no problem with authorisation."

Shattuck said Wednesday that Bosnian Serb forces had reopened a number of their notorious detention camps in northern Bosnia some time around October 6.

That was after a joint Bosnian government and Croat offensive pushed back the Serbs from northwest Bosnia.

Shattuck said he had requested permission to visit the area Thursday.

Cease-Fire Generally Holding; Violations Claimed

More Mass Graves Reported

AU2710120295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 27 Oct 95

[Report by Muhamed Mulic from Bihac]

[FBIS Translated Excerpt] Over the past 24 hours the [Serb] aggressor has continued the usual practice of violating the cease-fire agreement. In the general Sanski Most area, they have shelled our defense lines and villages deep within free territory. As for the Bosanska Krupa front, apart from shelling, the aggressor has also been using flak all the time and carrying out small arms provocations. Movements of the aggressor's forces are still being observed on both these fronts.

In the newly liberated parts of Una-Sana Canton, new mass graves of Bosniaks and new traces of Chetnik [word indistinct] are still being discovered. In the Sanski Most region, two more mass graves have been discovered, in which, according to survivors' statements, about 300 citizens of [word indistinct] were killed at the very beginning of the aggression against Bosnia-Herzegovina. In the village of Susnjari, not far from this little town, where one of these graves is located, 13 killed and butchered Bosniaks have been exhumed. As teams searching for new mass graves are working all the time, it is unfortunately to be expected that new mass graves will be found, not only in Sanski Most, but in the region of the (?Kljuc) Municipality as well. [passage omitted]

'Provocative Operations' Reported

AU2610124495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1200 GMT 26 Oct 95

[FBIS Translated Text] During the entire day yesterday, the aggressor carried out provocative operations at our defense lines on the Posavina and Ozren fronts, the Bosnia-Herzegovina Army Press Center has reported. These provocations passed without consequences for our forces. Complying with the signed cease-fire agreement, the fighters of the Bosnia-Herzegovina Army did not respond to these operations.

Intensive traffic of Chetnik cargo helicopters and motor vehicles was recorded along the so-called Posavina corridor, the Army Press Center says further on in its announcement.

Provocations on Kalesija Front

AU2610152395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 26 Oct 95

[FBIS Translated Text] Our Army press center reports that on the Kalesija, Zvornik, and Kladanj fronts, the day has been marked by enemy attacks with small arms on our fighters' defense lines. In contrast to our units, which strictly observe the orders to cease fire, the enemy forces have stepped up attacks with snipers, especially on the Kalesija part of the front.

Frequent movement by motor vehicles and enemy aircraft near these fronts indicate that the enemy is

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regrouping its forces and hardware. Our units are following all the aggressor's activities.

Muslims, Croats Violate Cease-Fire

LD2610235295 Belgrade TANJUG in English 2342 GMT 26 Oct 95

["Pool" item]

[FBIS Transcribed Text] Banja Luka, Oct. 26 (TANJUG) — Muslim and Croat forces on Thursday continued to violate the agreed ceasefire, the Republika Srpska (Bosnian Serb Republic) army command said in a statement released in the evening.

The statement said that most of the ceasefire violations had occurred in the valley of the Drina River in northern Bosnia, in western Bosnia and on the Sarajevo front.

Honoring the Oct. 12 ceasefire, Bosnian Serb troops did not return fire, the statement said.

Prijedor Defense Head Doubts 'Lasting Peace'

AU2610131795 Banja Luka Srpska Televizija in Serbo-Croatian 1930 GMT 25 Oct 95

[Report by Aleksandar Skoric]

[FBIS Translated Text] Due to a complex military situation and the fact that the enemy poses a real threat to peace in the western parts of the Serb Republic, a town defense command was formed today in Prijedor as well. Colonel Radmilo Zeljaja and his closest aides from the Army and police, with logistical support from civilian authorities, i.e. the wartime presidency, will be entrusted with defending the second-largest town in the republic. Despite a Prijedor-based group of military observers supervising the cease-fire, headed by Danish Major Jensen, and although the cease-fire that has been holding in the past couple of days, the enemy is constantly bringing fresh forces, especially Muslim, and regrouping near separation lines.

This move, designed to provide a crucial defense of the town of Prijedor as well as most of Krajina, was made to prevent surprises like that on the Podgrmec front and parts of the Sana River valley. Regardless of what is said at various meetings and negotiating tables — be it here, in the FRY, or abroad — the fact remains that it is paramount to predict and prevent every, even the most negative, outcome. Col. Zeljaja, commander of the Prijedor town defense, is also aware of that, and says that those who think we have finally gotten a lasting peace are wrong, and that the enemy who has tricked the Serb side so many times will sooner or later attempt to realize its goals by military means. However, as for Prijedor, the policy of Alija [Izetbegovic] and the like will not succeed.

Croat National Council Issues Statement on Elections

Warns Against 'Manipulations'

AU2610171095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 26 Oct 95

[FBIS Translated Text] The Croat National Council of Bosnia-Herzegovina today issued a statement for the public, which, among other things, states the following:

The recent statements by the Government and the Presidency of the Republic of Bosnia-Herzegovina regarding the elections for the parliament of the Republic of Croatia that will be held in Bosnia-Herzegovina show that no consultations are held in the top state organs, even on such important issues. Some key Croat institutions operating in Bosnia-Herzegovina, however, should have been consulted on such issues.

The Croat National Council warns the Bosnia-Herzegovina public that the possibility of the Bosnia-Herzegovina Croats taking part in the parliamentary elections in the Republic of Croatia is not a simple [jednoznacan] act, nor should it be taken as such. This act produces a reciprocal act for the Bosnia-Herzegovina Serbs and the Bosniaks who live in Croatia and Serbia. This represents an attempt to change the national composition of the electorate in Bosnia-Herzegovina and reinforces the position of the parties in power.

Regardless of such manipulations, we want to warn once again that no one can turn the Croats in Bosnia-Herzegovina into a national minority or diaspora in their mother and historical country. We are our own bosses, and we will continue to fight for the survival of our state and homeland of Bosnia-herzegovina and for its federal setup, the statement issued by the Croat National Council reads.

Vote in Sarajevo Confirmed

AU2710081195 Paris AFP in English 2243 GMT 27 Oct 95

[FBIS Transcribed Text] Sarajevo, Oct 26 (AFP) — Bosnian Croats will be able to vote in Croatian legislative elections Sunday [29 October] from government-controlled areas of Bosnia, the state-run news agency BH PRESS said Thursday.

Ivica Vidovic, president of the Sarajevo branch of the largest Bosnian Croat party, the Croat Democratic Union (HDZ), a sister party to the ruling Croatian HDZ party, told the agency that two polling stations will be opened in Sarajevo.

Under the rules set for the Croatian parliamentary elections, the right to vote is granted to all Croats

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at home and the diaspora, which according to Zagreb includes Croats in Bosnia.

Vidovic said persons who show their Croatian identification card or Croatian passport can participate in the poll. This would include Bosnian Croats with double Bosnian and Croatian citizenship.

Polling stations will be also opened in the northeastern town of Tuzla, the agency said. The Bosnian HDZ planned a pre-election rally in Husino near Tuzla Thursday evening, it added.

The Bosnian Presidency and Government expressed Saturday their "indignation over such treatment of our state by the republic of Croatia" and warned the move could damage relations between the two countries.

Bosnian officials stressed that nobody with double citizenship anywhere in the world could vote in both countries but the Bosnian HDZ dismissed this.

Croatia granted citizenship even to those Croats who do not reside in the country, as is the case with the Bosnian Croats. Many Bosnian Croats took the citizenship since having a Croatian passport makes it easier to leave Bosnia and travel abroad without visa restrictions.

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Croat-Serb Talks End in Erdut; Work Continues

LD2510144695 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 25 Oct 95

[Report by Zeljka Bacic from Erdut]

[FBIS Translated Text] After two and half hours and separate consultations, the fourth round of negotiations between the Croatian state delegation, led by Ivic Pasalic, and representatives of local Serbs, led by Milan Milanovic, has ended in Erdut.

The Croatian delegation has left Erdut and peace mediators Thorvald Stoltenberg and Peter Galbraith are still holding talks on parts of the document with representatives of the local Serbs.

Pasalic stressed in a statement that nothing new had happened, and that work is still going on on parts of the draft agreement presented by Galbraith. The talks will resume in Osijek on 28 October.

There was also discussion of the transitional period and other parts of the document. On this occasion, too, the Croatian side clearly set out its standpoints on the draft amendments to the basic document, while the Serb side's draft will be heard in Osijek on 28 October. The Croatian side added that the resolution of the crisis in this area is problematical, and work is going on to find ways for the Croatian Government to achieve what it wants — peaceful reintegration as soon as possible. If it fails to achieve this, Croatia retains the right to find solutions by other means, Pasalic said in his statement.

Mediators Expect Accord by 28 Oct

AU2510202295 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 25 Oct 95

[Report by Djordje Gajdosevic]

[FBIS Translated Text] The fourth round of negotiations between the delegations of the Srem-Baranja region and the Government of the Republic of Croatia that was held in Erdut has not resulted in anything new. Both delegations submitted to international mediators Thorvald Stoltenberg and Peter Galbraith objections to and comments on the offered plan.

The mediators have promised that they would take all objections into consideration, and most probably on 27 October complete the draft agreement, which they plan to present to the two sides on 28 and 29 October.

Mr. Peter Galbraith has said that one could already say today that neither side will be satisfied with the draft agreement, but that the agreement has been made on the basis of the international community's intentions. The Serbs today proposed that the transitional period last three years instead of two. Objections were also raised on respecting human rights in the Republic of Croatia.

Cochairman Thorvald Stoltenberg has expressed satisfaction with both sides for having shown readiness after two years of negotiations to reach an agreement and to enable people to live together and in peace.

At a news conference, U.S. Ambassador Peter Galbraith expressed the hope that the document on the peaceful settlement of the crisis in the Srem-Baranja region would be completed by 31 October, when the Ohio summit is supposed to take place.

Agreement Drawing 'Very Close'

AU2610130995 Paris AFP in English 1241 GMT 26 Oct 95

[By Peter Cunliffe-Jones]

[FBIS Transcribed Excerpt] Zagreb, Oct 26 (AFP) — Rebel Serbs in Croatia's Eastern Slavonia region are very close to agreeing a deal that could avert another potentially devastating war in the former Yugoslavia, Croatian sources and diplomats said here Thursday [26 October]. [passage omitted]

Under the proposed deal, Serbs who were resident in the region in 1991 could stay in their homes. Croatian government, telephone, postal and citizenship offices would be set up, the diplomats said.

There would be an "international presence" to deter rights abuses.

In an interview with the daily Slobodna Dalmacija, published Thursday, the senior Croatian negotiator, Hrvoje Sarinic, said there was now more chance than ever of a peaceful end to the Serbs' rebellion.

Sarinic said Croatia wanted NATO troops — not the United Nations as demanded by the Serbs — to demilitarise the paramilitary formations in sector east and wanted NATO troops to be positioned on the international border between Croatia and Serbia.

This would probably need some 5,000 to 7,000 soldiers, he said.

US officials said Thursday any such demands would probably be discussed at the talks in Dayton, Ohio next week. [passage omitted]

A document will be put to both sides Friday, Galbraith said. "It won't please everyone completely but it is the best the international community can do," he said, cited by the Serbian news agency FONET.

According to a diplomat who attended the talks Wednesday, the Slavonian Serbs had caved in on their demands

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for a five year transitional period for the transfer of authority from their regional capital of Erdut to Zagreb and are close to the Croatian demand of a one year transition.

Serb negotiator Milan Milanovic said, cited by Serb agencies, that if agreement was finally reached a deal could be signed by Sunday.

"To avoid a war, we have ceded some ground, accepting being put under UN administration, even though the local population wants to be part of Serbia," he said.

The move towards a settlement of the long-running dispute comes just days ahead of peace talks between the Bosnian, Croatian and Serbian presidents in Dayton, Ohio, next week.

Sarinic said the Serbs had "learned the lesson" of the Croatian's military recapture of two other rebel-held areas earlier this year.

Then almost 200,000 rebel Serbs fled the Krajina and Western Slavonia areas. Many of the mainly-Serb population of the Eastern Slavonia region have been moved once or twice before, fleeing their homes after being expelled from other areas of Croatia and then being rejected by Serbia.

UN officials told AFP this week there were some 168,000 people in Eastern Slavonia, though Croatian officials put the figure nearer 90,000.

The impetus for a peace deal stepped up after Serbia's President Slobodan Milosevic gave the Serbs a clear signal last week that it was not ready to come to their aid if Serbia attacked, diplomats here said.

The rebel Serbs in Eastern Slavonia can only count on 8,500 troops and 1,500 militias to defend their area of 2,500 square kilometres against the Croatian army should the talks finally collapse and it come to fighting.

The Croatians, who lost the area to rebel Serbs four year ago, have 14,000 troops directly on the front line and 23,000 nearby in reserve.

They would have "no problems" achieving superiority in troop numbers for any offensive operation, western military experts told AFP this week.

"This is really quite a good deal for the Serbs," the same diplomat said Thursday.

"It enables them to stay where they are and gives them some degree of autonomy and protection. It prevents them from suffering the same fate as the others. It would make sense for them to accept it."

Deputy FM Defends Bosnia's Territorial Integrity

BR2610144195 Madrid EL PAIS in Spanish 26 Oct 95 p 6

[Interview with Croatian Deputy Foreign Minister Ivo Sanader by Juan Carlos Sanz in Madrid; date not given: "Croatian Serbs no Longer Need Autonomy, as Almost All of Them Have Left"]

[FBIS Translated Text] *Madrid—Being a diplomat of a country which has just won a war must boost one's self-confidence, or at least so it would seem judging from Croatian Deputy Foreign Minister Ivo Sanader's contented expression. Sanader was in Madrid to attend a conference in support of the Croatian-Muslim Federation in Bosnia-Herzegovina.*

[Sanz] Croats and Muslims are still living on either bank of the Neretva with their to each other and full of hate.

[Sanader] Mostar exemplifies what the Federation could be in the future: the political will to enable Croats and Muslims to live together and have some sort of confederate relationship with Croatia. Of course it will take time to forget the conflict between the two communities, particularly for those who lost a member of their family during the fighting.

[Sanz] A confederation, or rather, a greater Croatia at the expense of Bosnia?

[Sanader] That is not true. We were the first to recognize Bosnia's independence, and we defend its territorial integrity.

[Sanz] What about next Sunday's elections in Croatia?

[Sanader] They will be undoubtedly democratic. We have many international observers in Croatia who can verify this.

[Sanz] The parties opposing President Franjo Tudjman are complaining that they are being excluded from the public media — almost all of them — during the election campaign.

[Sanader] You know how it is. The opposition is the same everywhere, it is always criticizing the government.

[Sanz] What about the Croatian Serbs, for whom the Constitution guarantees a certain amount of autonomy? Will they also be able to vote democratically?

[Sanader] They no longer need any autonomy, the Serbs have left Croatia, with the exception of eastern Slovenia, which is still occupied.

[Sanz] Did they flee from their burning homes in Krajina?

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[Sanader] We completely deny this. After the military operation to liberate Krajina, we sent over 100,000 men to patrol the area. We have already arrested over 300 people for these offenses, and 630 are under investigation. They are mostly civilians, although there are also a few policemen and military personnel among them.

Sarinic Views Elections, Negotiations With Serbs

AU2710094195 Zagreb GLOBUS in Serbo-Croatian 20 Oct 95 pp 2-4

[Interview with Hrvoje Sarinic, head of the Cabinet of President Tudjman, in Zagreb, date not given: "Nikica Valentic Will No Longer Be Prime Minister, and the President of the Republic Will Make a Decision on His Successor by the End of October: That Will Not Be Either Mate Granic or Ivica Todoric!"]

[FBIS Translated Excerpt] The pre-election talk with engineer Hrvoje Sarinic, head of the Cabinet of the president of the Republic, took place in a pleasant atmosphere at his office in the Presidential Palace at Pantovcak in Zagreb. Before the interview, the high-spirited Sarinic presented the GLOBUS editors with application forms for membership in the Croatian Democratic Community [HDZ]. Despite their not having filled in the forms, Sarinic answered all the questions in a straightforward manner, thereby confirming himself as one of the best spokespersons of the ruling party.

[GLOBUS] On Sunday the Third HDZ General Convention closed. What is your view of the event?

[Sarinic] I cannot tell you anything you do not already know: The convention has strengthened the policy of President Tudjman. The current circumstances in Croatia make possible the implementation of the middle-line policy, and the president has always tried to make the middle-line policy be at least 50 percent of the HDZ policy. Before, the political circumstances in the party and the state were different, but now there are no frictions about it, and the middle-line policy will be more pursued than before.

Tomislav Mercep

[GLOBUS] By the middle-line policy you must be referring to a slant away from left or right extremists, as President Tudjman puts it. How is the duel with Tomislav Mercep at the convention to be interpreted in that context?

[Sarinic] It was not a duel. Mercep's line was in conflict with the president's middle-line policy even before. Certain things were defined at previous conventions, and what happened yesterday is a logical conclusion of a process. We cannot allow anybody's bringing discredit upon Croatia abroad. We have to be careful about that. We are not playing down merits that those people are given for the liberation of Croatia and the struggle against aggression. However, we cannot bring discredit upon Croatia by wearing certain emblems or black shirts. We are being warned of such instances by the world. They say: If you want to be admitted to the Council of Europe or other institutions, you should struggle against such occurrences. For that reason the president publicly spoke about that matter.

[GLOBUS] Mr. Sarinic, what does the phrase "secret terrorist organization within the HDZ" mean?

[Sarinic] The president said quite clearly what he meant by that....

[GLOBUS] How do you explain the fact that Mercep was greeted with cheers on Sunday?

[Sarinic] How many people did that? Perhaps 20 or 50 of the 1,900 participants of the Third Convention, which does not mean much.

[GLOBUS] Will Mercep be dismissed from the HDZ?

[Sarinic] No, for he himself said he remained a member of the party, but he would resign from some functions he had performed up to that point.

[GLOBUS] Will, in your opinion, the legal proceedings resume on the 1991 murder that has remained unresolved?

[Sarinic] I cannot talk about that, nor do I want to. That is a matter for magistrates. I can only repeat: Mercep and the people around him are certainly given credit for the defense of Croatia.

[GLOBUS] Mercep's position on the Croatian political stage is similar to the position of Dario Kordic on the political stage of Bosnia-Herzegovina. Some of the Bosnia-Herzegovina authorities want to put Kordic on trial in The Hague. Will, perhaps, a similar fate happen to Mercep as well?

[Sarinic] That is your extrapolation and a journalistic speculation. You have seen Kordic's performance at the party's convention. He was moderate and did not cause any reactions like Mercep. Those two cases are impossible to correlate. After all, I cannot discuss the authority of the tribunal in The Hague, but there is no doubt that there will be a lot of politics. We know that there will be attempts to bring up for trial people from all the sides in the conflict.

[GLOBUS] So the HDZ core stands firmly by Kordic's side?

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[Sarinic] The HDZ core is in best relations with the HDZ of Herzeg-Bosnia and its leader Kordic.

[GLOBUS] What is the attitude of HDZ toward some other rightists, say, toward Vice Vukojevic or Gordana Turic? It is eye-catching that Vukojevic has been put forward only as the deputy of a candidate in the general elections.

[Sarinic] We have assessed what the chances of the candidates in constituencies are, and we have put them forward. There has been no politics, calculation or secret intentions in all that. It is pure pragmatism. As for Turic, she is a member of the HDZ Court of Honor, which is a high and honorable function.

[GLOBUS] Why is Sime Djodan not a candidate in the elections?

[Sarinic] We have decided there are candidates who are more likely to win for the HDZ.

[GLOBUS] Would not his nomination as candidate still be a decent reward for his work so far?

[Sarinic] You know that there were some incidents in the Assembly, when Djodan's statement went beyond his convictions and thoughts. He apologized thereafter, but it was nevertheless quite a delicate matter.

[GLOBUS] You refer to the occasion when he offended the church?

[Sarinic] I guess what he said was not praise. [passage omitted]

[GLOBUS] Why is a two-thirds majority the goal of the HDZ in the elections?

[Sarinic] A two-thirds majority is not the main goal of the HDZ, but it is its estimate. Nevertheless, we know that with a two-thirds majority we are able to modify the Constitution, although for some significant changes of the Constitution we do not need a two-thirds majority in the Assembly, because those are changes for which the representatives of other parties would vote as well. It is about significant, basic Croatian interests, which are supported by the Croatian opposition as well.

[GLOBUS] Will you introduce a presidential system?

[Sarinic] I think that the Constitution will not be changed because of the presidential system. However, we will have some clearer relations, so the president will be more at liberty to make decisions, which, according to the Constitution, he has been able to do even so far, but the political environment and the power structure on the political stage and in the party have not permitted that. The president does not need additional authorization, but rather free hands to be able to make decisions without impediment and which are in the interest of the Croatian people and the government's efficiency.

[GLOBUS] In which sense will the Constitution be modified?

[Sarinic] It is well known that some clauses of the Constitution have been suspended, particularly those about the special status of counties and the Court for Protection of National Minorities. After the liberation of the former sectors South and North those clauses no longer make any sense. In the current reintegration of the East sector we do not need such solutions.

[GLOBUS] Will Nikica Valentic remain prime minister after the elections?

[Sarinic] No.

[GLOBUS] Who could possibly replace him?

[Sarinic] I cannot talk about candidates, but by the end of the month the president will designate the mandator of the new government.

[GLOBUS] Has Ivica Todoric, owner of Agrokor firm, been considered for the post of prime minister?

[Sarinic] I do not think he has. He is a very successful businessman, one of those we do need. His election, however, would be a gain on one side, and a loss on the other side. I think personally, although I cannot be definitely sure, that Todoric has not been a serious candidate for that post.

[GLOBUS] And what about Mate Granic?

[Sarinic] Granic is performing his job so well that it would be a loss for Croatian diplomacy. Of course, Granic would be able to manage the government, but his place is in foreign policy, where continuity is very important. Granic is the best foreign minister that the independent and sovereign Croatian state has ever had.

Serbs and Negotiations

[GLOBUS] Today's (Monday) negotiations with Serbs in Ilok have not been held. How will the negotiations about the reintegration of eastern Slavonia and Baranja further unfold?

[Sarinic] The meeting in Ilok has not been held, but in our contacts with Thorwald Stoltenberg and U.S. Ambassador Galbraith and others I have made it a condition that the meeting in Osijek take place in normal conditions, rather than in diplomatic or similar buildings. I am getting ready for the meeting in Osijek, after which we shall demand a continuous session until a settlement is reached.

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The framework we are proposing has already been stated. Later this month a meeting at state level will be held in the United States, where the issues of the Eastern Sector and the war in Bosnia will be discussed as one package. Croatia does not accept those two issues to be negotiated separately. The United States will prepare a draft of the agreement on Bosnia, and by that date an agreement on reintegration of the Eastern Sector in Croatia should be signed.

[GLOBUS] Why do you think that after the Erdut agreement refugees will return to the Eastern Sector, that is still under Serb occupation, even though they are not coming back into the free and safe regions of the Southern, Northern and Western Sectors?

[Sarinic] In the Eastern Sector the situation is different: save for Vukovar there has been almost no destruction. I was in Erdut and Beli Manastir. Those towns are almost intact. In Erdut we have failed to reach a final agreement, but we have just agreed on certain issues that will be a starting point for further negotiations. Elections of local authorities are one of the most important elements of the agreement.

[GLOBUS] Are they not, as a matter of fact, Serbian elections for Serbian rule?

[Sarinic] You know yourself how much the Serbs insisted on a referendum on the status of eastern Slavonia, western Srijem and Baranja. At the referendum they were able to declare themselves for a union with Yugoslavia or a special status, which was anticipated by the Z-4 plan as well. Now the next step is to announce elections after a transitional period, which is in agreement with our Constitution, so the Serbs will get more representatives in the places where they are in majority.

[GLOBUS] In view of the situation on the ground, the Serbs will have a majority in Vukovar.

[Sarinic] In this entire effort made to accomplish peaceful integration of eastern Croatia we have said that, after the agreement is signed, all those who are not citizens of Croatia will have to leave, and that all para-military units will be disarmed. All those who are citizens of Croatia, or who can become one, will have a choice: either to stay in the Eastern Sector, or to move to the Western Sector or Knin, where they used to live before. This will change the demographic aspect to a degree, but not too much.

While driving toward Erdut I have noticed that houses are still in good shape, so the Croats could return immediately. In Vukovar-Srem and Osijek-Baranja counties there are 60,000 to 65,000 Croats who could return to their homes immediately. In Istria there are still some 10,000 refugees who will return later on. When speaking of refugees' return, the Croats are to move into their own houses, and that is "condicio sine qua non" of the reintegration and their return. The Serbs who are now residing in their houses will have to move out and go back to their own homes.

General Vrbanac

[GLOBUS] What will the temporary authorities look like in that region?

[Sarinic] The attitude of the Republic of Croatia is that the temporary authorities in eastern Croatia will be composed of the representative of the European Union, a representative of the Croatian Government, U.S. and Russian representatives, a Croat and a Serb representative, and probably a member of a minority, most probably ethnic Hungarian. It was proposed that the temporary authorities include two administrators put forward by the United Nations, but we did not accept that. We insisted on a representative of the European Union because of the reconstruction of that region. Those authorities will last 17 months.

[GLOBUS] How will the police be composed?

[Sarinic] We shall form police forces according to the 1991 census. Besides, we insist that NATO troops be deployed in eastern Slavonia, who will go to Bosnia, that is for sure.

[GLOBUS] Which means that after 30 November, instead of UNCRO [UN Confidence Restoration Operation in Croatia], the NATO troops will arrive.

[Sarinic] Exactly. The UNCRO troops will be replaced by NATO, and 14 days after the signing of the agreement rebel military formations will be disarmed. You can be sure that Croatia will not abandon its basic principles. That part of Croatia will not have any particular status, nor will it be any particular zone.

[GLOBUS] Are we giving up the war option?

[Sarinic] Croatia has never been for the war option in the first place, if peaceful reintegration can be implemented. I have been negotiating for two years, investing great efforts, indeed, which have eventually made me very popular and brought about results which you already know about. But I do not regret it, because we have shown to the international community the desire of Croatia to reach settlements in a peaceful way.

[GLOBUS] If the conditions were different, would the Croatian Army advance all the way to Banja Luka?

[Sarinic] It is certain that we are capable of advancing to Banja Luka. In the current situation, however, we have to think about the cease-fire, even though the Croatian

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interest is that the Serbs leave the region of Banja Luka, and to get compensation for that in the east.

[GLOBUS] Do you refer thereby to Prevlaka?

[Sarinic] No, it does not have the same weight. We would have to exchange it for something bigger, if our friends in the Federation of Bosnia-Herzegovina agreed. Still, Croatia will keep being maximally restrained with regard to Banja Luka and its capturing, for that is not a goal of the Croatian policy for the time being.

[GLOBUS] When speaking of the war in Bosnia, what did actually happen three weeks ago on the other bank of Una River, after which General Vinko Vrbanac was replaced?

[Sarinic] You should ask the Court Martial that question.

[GLOBUS] How is it possible for Vlado Soljic, defense minister of Herzeg-Bosnia, to be a candidate in the general elections in Croatia?

[Sarinic] Where is he a candidate? In the diaspora! He is a Croat who lives abroad. The fact that he is a defense minister makes no difference. He will go to the polls as a Croat, which he is entitled to. That he is performing the function of defense minister does not matter. Besides, we are all Croats. We know what Croatia has done for Herzeg-Bosnia and Herzeg-Bosnia for Croatia. Knin would not have been freed without Glamoc or Grahovo. We are a single corps. One should not view the things formally, and thus neglect the interests of the Croatian people as a whole. [passage omitted]

Croatian Serbs Alarmed by Pre-Election Climate

LD2710001695 Belgrade TANJUG in English 2253 GMT 26 Oct 95

[FBIS Transcribed Text] Zagreb, Oct. 26 (TANJUG) — A Serb party leader said on Thursday that Serbs in Croatia were alarmed on the threshold of parliamentary elections by allegations of involvement in a bombing attack and arrests for espionage. Milorad Pupovac, leader of the Independent Serb Party and its candidate in the October 29 parliamentary election, said that the allegation by the Croatian interior minister of Serb involvement in the Rijeka bombing attack had only increased anxiety among the Serbs.

A car bomb exploded recently outside a police station in the Croatian Adriatic port of Rijeka, killing one person and wounding dozens of others.

An Egyptian Islamic terrorist organisation has claimed responsibility for the attack, but not before Croatia's interior minister had alleged without a shred of evidence that the attack might have been the work of Serbs. Elsewhere in Croatia, police has arrested 14 people, mostly Serbs, on suspicion of anti-state activity.

Speaking at a press conference in Zagreb, Pupavac said that dozens of Serbs had been held for questioning by police for hours, 14 of whom were eventually charged with anti-state activities and remanded in custody. 'All this comes at a time when the remaining Serbs in Croatia are preparing to elect their representatives to the Croatian parliament for the first time,' he said.

Pupavac said that this kind of behaviour on the part of the authorities was poisoning the pre-election climate and heightening the fear of the already intimidated Serbs in Croatia.

Participation by 'Fascists' Viewed

LD2610152195 Belgrade TANJUG in English 1357 GMT 26 Oct 95

["Pool" item by Nikola Stanojevic]

[FBIS Transcribed Text] Zagreb, Oct 26 (TANJUG)— The successors of World War Two Croatian fascists, who have founded the Croatian Liberation Movement (HOP), will take part in the coming elections in Croatia.

The HOP is led by by Srecko Psenicnik, the son-in-law of Ante Pavelic, founder of the notorious fascist independent state of Croatia (NDH) in World War Two.

While Germans and Italians cannot imagine parties pursuing the policies formulated by Hitler and Mussolini running for election, Croatians recently saw HOP's presentation on state television's election programme.

The HOP continues the tradition of the independent state of Croatia (NDH), whose fascists (Ustashi) put to death 700,000 Serbs, Jews and Gypsies in the Jasenovac death camp alone.

Psenicnik, who was private secretary to the NDH ambassador to Rome during World War Two, co-founded HOP with Pavelic in Buenos Aires in 1956.

He registered the party in the new independent Croatia last year. Croatians will elect 127 deputies to parliament out of 1,391 candidates, among whom one HOP candidate from Dubrovnik.

Though it believes its chances for election are poor following president Franjo Tudjman's occupation of the western, northern and southern parts of the Republic of Serb Krajina in May and August and expulsion of over 250,000 Serbs, the HOP nevertheless decided to run.

In keeping with the spirit of "democracy", there were no embarassing questions on TV for the HOP officials who said they backed those who would best perpetuate

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the spirit of the "revolution of April 10," the date of Pavelic's founding of the notorious NDH in 1941.

Psenicnik also praised Tudjman's ruling Croatian Democratic Union (HDZ) and Defence Minister Gojko Susak, who likes to throw the Nazi salute adopted by the Ustasha's during World War Two.

Psenicnik called on HOP supporters to vote for the party's candidate in Dubrovnik and for Ante Djapic's Croatian Party of Right (HSP) in other constituencies. The HSP's election slogan includes one that reads: "If you don't want the Serbs back in Croatia, vote for the HSP."

The HOP backs the HSP because that party is working consistently to rehabilitate Pavelic's NDH. The regime also plays an important role in the return to Ustasha roots.

The regime has already restored Ustasha symbols, uniforms and rehabilitated notorious war criminals. It has removed anti-fascist symbols and rewritten history text-books in an attempt to teach children the "truth" about World War Two.

The ruling HDZ has also decided to use Croatia's fascist history in its campaign. A TV election clip shows photographs of "great Croatians who fought for Croatia," among them Ante Pavelic and Cardinal Alojzije Stepinac, who blessed the Ustasha crimes.

The clip ends with a slogan saying Franjo Tudjman succeeded in creating a new independent state of Croatia.

Psenicnik, who has previously had opportunities to glorify his beloved NDH in Croatian media, said "the (Croatian) liberation struggle began on April 10 and was crowned on May 30" (the national holiday of present-day Croatia).

Moreover, he stressed that the priority of future generations should be the creation of a Croatia encompassing lands from "Istria (peninsula on the Croatian Adriatic coast) to Zemun (suburb of Yugoslavia's capital Belgrade) to Boka Kotorska" (bay on the Yugoslav Adriatic coast), claiming they all belonged to Croatia.

Speaking of meetings "like the one in Paris" on the creation of a third Yugoslavia, Psenicnik said that Croatian citizens who participated in them should be immediately put behind bars.

"There is no question that in the NDH, they would have found themselves in prison" Psenicnik said.

Krajina Serbs Claim Croat Massacre of 245

LD2510174495 Belgrade SRNA in Serbo-Croatian 1457 GMT 25 Oct 95

[FBIS Translated Excerpt] Banja Luka, 25 Oct (SRNA) — The village of Stikovo near Drnis suffered the most during the Croatian aggression against the Republic of Serb Krajina [RSK]. The Ustashas [Croatian fascists] massacred 245 of its inhabitants, looted the village and burned it down completely, eliminating all traces of its existence.

Only five people from Stikovo survived the Ustasha attack, SRNA has learned from the RSK crisis headquarters in Banja Luka. [passage omitted]

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'Multinational Corporation' Behind Gligorov Attack

AU2610164595 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 26 Oct 95

[FBIS Translated Excerpt] Three weeks after the assassination attempt on Kiro Gligorov, president of The Former Yugoslav Republic of Macedonia [FYROM], Internal Affairs Minister Ljubomir Frckovski announced that the Macedonian police know who the organizers and perpetrators of the assassination are but failed to give any names. Frckovski tendered his resignation to Macedonian Prime Minister Branko Crvenkovski. POLITIKA EKSPRES correspondent Aleksandar Nikolic Pisarev has the details:

Behind the assassination attempt against Macedonian President Kiro Gligorov on 3 October is a strong financial-economic multinational corporation with its seat in a neighboring country. Its man entered Macedonia on 28 September and, in a building in a Skopje suburb, put together the explosive device with which the assassination attempt was perpetrated.

The state and the person who prepared the assassination are known to the Macedonian police but were not disclosed at today's news conference at the Macedonian Government building in the interest of the investigation. Minister Frckovski said that extradition of the organizer and perpetrator of the assassination attempt will be requested. [passage omitted]

Interior Minister Resigns

AU2610221695 Skopje Radio Macedonia Network in Macedonian 1430 GMT 26 Oct 95

[Report by Zoran Tanevski on news conference by Interior Minister Ljubomir Fcrkovski with unidentified correspondents on 26 October; place not given—recorded]

[FBIS Translated Text] A multinational financial and economic corporation located in a neighboring state participated in the assassination attempt on President Kiro Gligorov, stated Interior Minister Ljubomir Fcrkovski at a news conference today. He also informed that he submitted his written resignation to Prime Minister Branko Crvenkovski this morning out of political responsibility. Zoran Tanevski reports:

On 28 September, a representative of this financial and economic corporation, whose name is known, stayed in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and in a house in the Skopje vicinity composed the explosive device. Frckovski said that he was helped by people from our state. According to the minister, the people had a political motive to eliminate President Kiro Gligorov with the intention of creating "controlled instability"—that is, to weaken the political and economic sovereignty and aptitude toward the political and economic influence of the inspirers, and also to restructure the ruling political foundation in Macedonia.

[Frckovski] They chose a time when Macedonia was facing the second round of its independence—that is, its definitive economic sanity, or at least development and a rational insight to this development, as well as investments that will definitely put a stop to the stories about any kind of economic and political dependence. Of course, the message was sent exactly at this time and was unfortunately sent along with an assassination attempt on the president of the state. Another set of questions for which I thought my activities should be concentrated more on the investigation rather than on addressing the public was that the attempt could be presumed: After such an act, the state bodies were expected to be broken up, particularly, the Interior Ministry. There had been some attempts from some political circles after the assassination attempt to put at stake, not only those services dealing with this act, but, in general, the whole ministry throughout the period of four to five years. Realistically, it could mean accomplishment of some indirect goals of the assassins in trying to destabilize the country, which was expected to continue to be destabilized in a tectonic way, as well as to destabilize the state services and thus create possibilities for their influence. I believe that this did not happen in the state services, and this was proven by the continued work of these services, as well as the Interior Ministry. To eliminate the danger of such acts, which we thought could not happen to only us, creates a new picture of the republic as a democratic state, and it is something that many democratic states have gone through or are still going through as an ongoing situation. The foundation of political institutions that made Macedonia an independent and sovereign country should continue in such a way as to make assassination attempts of this kind worthless.

[Tanevski] Frckovski also spoke about why he waited until this morning to submit his resignation.

[Frckovski] I never doubted my political responsibility after the attempt. As a politician that heads a service that must have timely information about such terrorist acts, I only had the aim to help the investigation as much as I could, and I think that at this moment we have achieved this aim.

[Tanevski] Minister Frckovski then answered the correspondents' questions.

[Correspondent] Why were citizens arrested, particularly members of the opposition?

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[Frckovski] It is definite that Macedonian citizens were involved in the assassination attempt. I cannot make any assumption as to whether they are connected with some political grouping, but they and their acts are what matters.

[Tanevski] Frckovski was also asked to comment on Bulgarian Minister Nevcev's statement.

[Frckovski] I cannot evaluate the source for such a statement or the background or inspiration for this statement. It is true that Bulgaria suffered more destabilization after the assassination attempt against Gligorov than Macedonia.

[Correspondent] Does the Interior Ministry hold the strings of the investigation?

[Frckovski] I can say that we definitely do not hold all the strings because if we had done it the way in which you suggested, we would not have had a problem elucidating the case.

[Correspondent] Did the multinational company that inspired the assassination attempt have as their members citizens of Macedonia?

[Frckovski] Taking into account our information, this organization is multinational, composed from several states, but as for your question about Macedonian citizens, I will skip it.

Further From Minister Frckovski

AU2610223795 Skopje MIC in English 26 Oct 95

[FBIS Transcribed Text] The interior minister of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] Ljubomir Frckovski announced at today's news conference that he had offered his written resignation to Prime Minister Branko Crvenkovski today.

The reason for this decision is the assassination attempt on President Kiro Gligorov, that took place on October 3, this year, in Skopje. So far, the investigation has concluded that "a financial economic grouping from a neighboring country is behind the attempt, which sent a man to Skopje on September 28 to make the explosive. He was helped by perpetrators from Macedonia, who can be described as fanatics, criminals and the political underground of the country," Frckovski said. In the interest of the investigation, he did not release any information as to the identity of the grouping, the country it comes from and the identity of the person that made the explosive.

According to his words, the "political motive was the elimination of the president himself, the creation of controlled instability in the country and the weakening of its economic and political sovereignty." In this sense, Frckovski assessed that the aim of the assassination was to achieve "tectonic destabilization of the state administration and its control."

Commission Discusses Ties With Turkey, Greece

AU2710094995 Skopje MIC in English 26 Oct 95

[FBIS Transcribed Text] The proposal for the adoption of a law for ratification of the agreement on friendship, good-neighborliness and cooperation between the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and the Republic of Turkey with a draft-law, as well as the law for ratification of the agreement between Macedonia and Turkey for the mutual protection of investments, were the main discussion topics at yesterday's session of the parliamentary commission for foreign politics.

In adopting the two draft-laws, the Under Secretary in the Foreign Ministry Victor Gaber said that after Slovenia and Croatia, Macedonia has signed the most agreements with Turkey, and that the mutual protection of investments between the two countries actually regulates the land claims that Turkey had against the former Socialist Republic of Macedonia, i.e. this request no longer applies to Macedonia.

At the session, Under Secretary Gaber informed about the protocols that have been signed with the Republic of Greece. The members of the commission Blagoja Filipovski and Faik Abdi tabled some questions concerning the discriminatory attitude of the Greek border organs toward Macedonian citizens born in Aegean Macedonia. The answer was that they had no information about such attitude, and according to what has been agreed, if our side respects the Greek citizens, we will also ask them to show the same respect. If, on the other hand, it is determined that our citizens are going back for one reason only—their birth places in Aegean Macedonia, the MP Sami Ibrahimi announced that he would table this question in front of the Human Rights Commission of the Council of Europe, at the session on the sixth and seventh of next month, in Prague. Under Secretary Gaber denied the news regarding the start of the negotiations over the name in New York, since, according to the information he had, minister Stevo Crvenkovski will be meeting with Boutros Ghali and mediator Vance in New York.

'Name' Not Discussed at Andov-Vance Meeting

AU2710092395 Skopje MIC in English 26 Oct 95

[FBIS Transcribed Text] "The meeting between Parliamentary Speaker Stojan Andov and the Foreign Minister Stevo Crvenkovski with the mediator in the Greek-

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Macedonian dispute Cyrus Vance, was just an ordinary lunch," a member of the Macedonian delegation in New York told "VECER," in relation to the remark that, despite all denials, Cyrus Vance had nevertheless met with representatives from Macedonia. "That has got nothing to do with the start of the negotiations over the name," the same source said, implying the claims of the Greek media. This source explained that Stojan Andov wanted to thank Vance for being present at the formal ceremony of the raising of the Macedonian flag in front of the building of the UN, by taking him to lunch.

FYROM Accepted as Black Sea Convention Member

AU2710100395 Skopje MIC in English 26 Oct 95

[FBIS Transcribed Text] The embassy of the Republic of Turkey in Skopje informed the Macedonian Foreign Ministry that the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] has been accepted as a full member of the Black Sea Convention for cooperation in the fields of culture, education, science and information, which was signed in 1993 by the governments of Albania, Armenia, Azerbaijan, Belarus, Georgia, Moldova, Romania, Turkey, Ukraine and Russia. The Convention was concluded in Istanbul, and Turkey is its depositor. The acceptance will present a possibility for the future affirmation of the Republic of Macedonia in these fields, as well as the establishment of closer links with the countries and nations in the Black Sea region.

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Walesa on Present Term, Future Plans

LD2610135695 Warsaw Polskie Radio First Program Network in Polish 0615 GMT 26 Oct 95

[Studio interview with Polish President Lech Walesa, presidential candidate, by correspondents Adam Kalinski and Krzysztof Grzesiowski on 26 October, followed by phone-in; correspondents not individually identified—live]

[FBIS Translated Excerpt] [Correspondent] Good morning. Lech Walesa, 52 years old, an electrician by education, Solidarity leader, Nobel Peace Prize winner. From 1990, the president of the Polish Republic. The election slogan: There are many candidates, but there is only one Walesa.

Good morning Mr. President.

[Walesa] Good morning, ladies and gentlemen.

[Correspondent] Mr. President, what is your feeling when many people say that, if Walesa and Kwasniewski are to go through to the second round of the elections, they are going to vote for Walesa, but only as a lesser evil? Will you be satisfied with this kind of support?

[Walesa] I think that the number of people expressing such an opinion is dropping. This opinion has been caused by the fact that, for a certain period of time, I had not been showing my work and my efforts, and my adversaries both from the postcommunist camp and those who are not working with me anymore are bluffing, which sometimes work here and there. If I only manage to show the truth, the opinion will disappear.

[Correspondent] Five years ago—and you admitted this recently—you said that the president could not have a program. Later, under pressure by activists, a program was created, but, I quote you as saying: I have to say with regret that even I have not read it. Do you have any program on paper today, Mr. President?

[Walesa] Of course, [but] a program without prejudice as nothing is a foregone conclusion as it cannot be because there is no constitution today and it is not known whether there is going to be one. [sentence as heard] This is first. So, there should be a different program for today's situation. Later, the constitution will decide whether there is going to be a presidential system demanding a different program or parliamentary and cabinet system. In every case, there will have to be a different program. In this connection, the programs for today are such as to fit all possible developments. If somebody prepares a more detailed program, he is wrong because he does not know where the president is going to be placed by the constitution and other legislation.

[Correspondent] For the past five years, you have been leading Poland toward normalcy. This is how you described it. Do you think you have succeeded, as many people have doubts about that?

[Walesa] Well, are we talking? Yes, we are talking. Has Poland stopped the recession? Yes, it has. Are there Soviet troops in Poland? No, there are not. Have our debts been reduced by half? Yes, they have. New money coming from abroad has still not been spent. These are big issues. As regards other issues, I did not bother the people, who have enough problems of their own, and there is no reason to stress them further with different matters. I was doing my job without telling others. But I noticed that some managed to deal successfully with a minor issue and then boaste about it. That is why one has to show the effect of one's work and let the people judge.

[Correspondent] Why then do you consider the next five years of your possible presidency more difficult than the present ones?

[Walesa] Because in both internal and external matters we are going to definitely decide about a political system. As regards the external matters and according to the feelings of today—and I suspect of tomorrow as well—Poland will want to join NATO and the European Union. On this issue it is going to face both internal and external opposition. The entire operation will have to be executed cleverly and very wisely, and with looking ahead. So, there will be dangers of bad execution.

As far as internal matters are concerned, we are going to decide about a political and economic system in Poland. These five years have been like testing the ground, testing possibilities, getting to know people and programs. That is why the second term of office is far more difficult, because we are going to decide on many issues, and it will not be an easy task. Many people are going to be dissatisfied or unprepared for transformations.

[Correspondent] Mr. President, where has this idea about Janosik [a legendary robber from the Tatra Mountains, who was robbing the rich to give to the poor] come from? Strong, wise, lonely, and without support. Janosik had enjoyed the support.

[Walesa] Yes, of course he had support, but he was in charge of everything, so he was, as they say, an executive power, and the rest obeyed. [passage omitted]

[Correspondent] Two years ago, when you were asked in a press interview about the division of the Polish political scene between the postcommunists and the Solidarity camp, you replied that this division must end as soon as possible, that it was very bad when we had to

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build for the future. Why have you willingly reanimated this division in the present election campaign?

[Walesa] No, sir, I did not do that. I only said that the past required the squaring up of accounts as demanded by the present times. One cannot forget the issue of communist governments being brought in by Soviet tanks. One has to tell the truth about heroes and to show real heroes who were murdered or destroyed. Property was confiscated when no one had the right to do that. So, there are some issues that have to be clarified. Of course, this should not become a major issue. The major issue is the good of Poland here and now and tomorrow. There was a chance for the present coalition to square up accounts. Just saying one is sorry is not good enough. It has not done it, so others have to do it. In this sense, I have been talking about the past as a burden from which we have to move away, but not by forgetting it all. This is not a matter of revenge or hatred, but we want future generations to know the truth so that something like that could not happen again.

[Correspondent] Many people characterize you as an efficient politician but only in destruction. What would you say to that?

[Walesa] I had to deal with three different parliaments and six different governments. Depending on circumstances, I had to carry on different maneuvers. I had to change the crew because the crew from the tropics is not suitable for severe frost. So, the changes I had to make were met with some dissatisfaction by those concerned. So, many people are talking humbug and some believe them. But there was no destruction. [passage omitted]

[Correspondent] Mr. President, thank you for this quarter of an hour's conversation. [phone-in follows]

[Unidentified questioner] I would like to ask the president what he did to unite the right after the left managed to unite.

[Walesa] Well, sir, when there is snow you can cultivate the soil, but nothing is going to grow. As you know, the Poles tend to unite when there is a great threat or any threat. The left had been threatened by the demands to come clean, to account for the past 50 years, and that is why they united themselves. Meanwhile, the right, enjoying its freedom, has not felt such a need; it does not feel under threat. But, if something is going to happen, if somebody from the postcommunist camp will once again take a place from which a threat may come, then the right's unification would be easier. I was trying, of course, but you probably did not listen. I had to deal with three different parliaments acting differently. There came a moment when I could not do anything to unite because a principle of pluralism had been introduced. Now, I am not going to try to set up my own party but to seek agreement between the existing ones to achieve certain goals. [passage omitted]

Walesa Profiled by Presidential Chancellery

WS2710081095 Warsaw ZYCIE WARSZAWY in Polish 25 Oct 95 p 2

[Report by MPO, RAS: "The Presidency; What Walesa Is Like, Explains the Chancellery"]

[FBIS Translated Text] What is the clue to the style of Lech Walesa's presidency? This is explained in the document summarizing his first term that was presented yesterday by the President's Chancellery.

The president's activism was described by his opponents as an "incomprehensible style that disdains the law." In the meantime, the president submitted 24 legislative initiatives, "all of them concerning major constitutional issues"; he used his veto power 22 times, "each time in defense of citizens' rights or to safeguard the legal-constitutional principles"; etc.

[Walesa's] openness was perceived as a "populist style, a greediness of power." And, in fact, the president's style is supposed to consist of frequent talks with foreign politicians and in meetings in Poland.

His courage and consistency, which are described in the document as resulting from the necessity to intervene in the face of serious national conflicts by the malicious, were deemed a "confrontational style."

His providence—for some it is an "unpredictable style." In the Chancellery document, however, it involves (among other things) the ability to predict the future.

Poll: Rising Support for Walesa, Slump for Waltz

WS2610131095 Warsaw RZECZPOSPOLITA in Polish 26 Oct 95 p 1

[Article by R.W.: "Social Research Laboratory for RZECZPOSPOLITA; Kwasniewski and Walesa to the Second Round"]

[FBIS Translated Text] *Aleksander Kwasniewski is invariably the favorite of the first round of the presidential elections. As suggested by the results of an opinion poll conducted for us by the Social Research Laboratory [PBS], if the elections had been held last weekend, the leader of the Democratic Left Alliance would have been endorsed by one in three respondents. Lech Walesa has clearly moved up to second place. The popularity of Hanna Gronkiewicz-Waltz with voters has dwindled; now she is in third place in the presidential race, along with Jacek Kuron.*

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Over the past month of the election campaign, we have seen quite considerable changes in the preferences of Poles. One of the most spectacular phenomena was the increase in the support for Lech Walesa; since September it rose by 7 percent. As a result, more than one-fifth of respondents declare that they want to vote for the incumbent president.

An equally dramatic change has taken place in the case of Hanna Gronkiewicz-Waltz; however, this was a change in the opposite direction. Until September, support for her grew very rapidly. Now we have seen a rapid slump—9 percent—which means that the constituency of the head of the National Bank of Poland has decreased by half over the past month.

Jacek Kuron, candidate of the Freedom Union, has maintained his support at the 10-percent level. Tadeusz Zielinski, the Union of Labor candidate, has lost some support. Until recently he had a good chance to move on to the second round, but now he has only 7 percent of support left. Janusz Korwin-Mikke has 5 percent of the "votes," Jan Olszewski 4 percent, and the remaining candidates do not get even that much.

Comparison of our poll with the one conducted approximately a week earlier by the Public Opinion Research Center [CBOS] reveals many similaritie—the differences in the support for candidates as declared by respondents are not greater than a statistical error. Our poll confirmed the trends of improvement in Lech Walesa's ratings, and a slump in the ratings of Hanna Gronkiewicz-Waltz and Tadeusz Zielinski.

* * *

Polls for RZECZPOSPOLITA are conducted by the PBS; the most recent one was taken on 22 and 23 October 1995 on a representative sample of 1,300 adult inhabitants of Poland. Each respondent had 100 points to distribute among the candidates and the option of "not voting at all"; the respondents distributed the points according to the probability of making such a decision [on election day]. The figures given in the text and in the table show the preferences of only those respondents who are planning to go to the polls. The maximum statistical error is plus or minus 2.5 percent. The author also mentioned a CBOS poll conducted between 13 and 17 October 1995 on a random representative sample of 1,167 adult inhabitants of the country.

Who would you vote for in the presidential elections?

	Sep 95	Oct 95
	Percent	
Aleksander Kwasniewski	30	33
Lech Walesa	14	21
Hanna Gronkiewicz-Waltz	19	10
Jacek Kuron	10	10
Tadeusz Zielinski	12	7

New Posts Created on General Staff

WS2610152695 Warsaw GAZETA WYBORCZA in Polish 26 Oct 95 p 2

[Article by PW: "An Abundance of Posts on the General Staff; NATO in the Hands of the Military"]

[FBIS Translated Text] Only yesterday it was confirmed that General Miroslaw Hermaszewski, the first Polish cosmonaut and a member of the Military Council for National Salvation during martial law, was nominated two months ago to be inspector general of the Air Force on the General Staff.

As we learned unofficially, at the same time another post is being prepared on the General Staff. General Jozef Chmiel, the former head of the northern sector of UN peacekeeping forces in Croatia, is to be nominated plenipotentiary of the head of the General Staff for integration into NATO. There has been a quiet war going on between the civilian and the military sections of the Ministry of National Defense over the nomination of the plenipotentiary for relations with NATO. The civilians accused the General Staff of trying once again to get control of the civilian ministry.

Walesa: VAT-Free Army Procurement Next Year

LD2610174695 Warsaw TV Polonia Network in Polish 1600 GMT 26 Oct 95

[FBIS Translated Text] Prime Minister Jozef Oleksy promised at an Army officer cadres' briefing that the Army's strategic modernization programs will be financed from special funds. The head of government gave the assurance that, beginning next year, Army procurement will be free of the VAT [value-added tax].

President Lech Walesa stressed at the briefing that everyone understands the need to modernize the Army. Next year's freeing of the Defense Ministry from paying

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the VAT on new armaments purchases means increasing its budget by 250,000,000 new zlotys.

The Army's three strategic modernization programs are: the production of the Twardy [Hard] tank; the Laura antiaircraft system; and the Huzar, a multipurpose combat version of the Sokol helicopter.

Special Services Commission Holds 1st Session

WS2610152195 Warsaw RZECZPOSPOLITA in Polish 26 Oct 95 p 2

[Article by Z.L.: "Deputies' Searchlight on Secret Services"]

[FBIS Translated Text] *The Sejm Commission for Special Services met yesterday at its first session, which was held behind closed doors. Discussed were primarily organizational issues. The participants of the meeting set the dates of meetings with the heads of the services under the commission's control, and they discussed the conditions of cooperation with experts, the methods of using secret documents, and problems related to the security of the seven parliament members with whom the Sejm had entrusted the mission of supervising the work of the special services.*

Before the session was held, the members of the commission appointed their chairwoman in the presence of Sejm Speaker Jozef Zych. In line with the principles that had been adopted earlier, a representative of the coalition will be in charge of the commission's work for six months. This representative is Lucyna Pietrzyk of the Polish Peasant Party [PSL], a deputy elected in Radom and a policewoman by profession. At one point, Prime Minister Waldemar Pawlak submitted her candidacy for a deputy ministership at the Internal Affairs Ministry (this nomination was rejected by Minister Andrzej Milczanowski). The deputy chairman of the commission is Bogdan Borusewicz of the Freedom Union [UW]. The other members of the commission are as follows: Krystyna Lybacka and Zbigniew Siemiatkowski (Democratic Left Alliance—SLD), Jerzy Ciemniewski (UW), Waldemar Pawlak (PSL), and Ryszard Bugaj (Union of Labor).

Preparations for establishing the special commission had been under way since 1990. The final draft was worked out at the initiative of the SLD, and from 1993 onwards it was a subject of numerous discussions. The commission was set up last September. Its activities (issuing opinions on legal acts, the budget, and directions of cooperation of the secret services, as well as examining and clarifying complaints) will be close to the activities of similar parliamentary institutions that control secret services in the United States and Germany.

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Police Arrest Serbs Trying To Sell Firearms

AU2710085895 Bucharest ADEVARUL in Romanian 19 Oct 95 p 10

[Article by N.M.: "Two Arms Dealers Stopped by Police Gunfire"]

[FBIS Translated Text] Yesterday, 18 October, at around 1330 local time [1030 GMT] police officers in Drobeta Turnu Severin caught red-handed two Serbian citizens, Sava Boracovic Sava, 26, from Kladova, Yugoslavia, and Dragan Tomnajovic, also 26 from the same locality, who were intending to sell firearms and ammunition to some locals. Called by the policemen, the two Serbs tried to get away. Sava Boracovic got into a Zastava car with license plate number BO 701-50. The other arms dealer tried to sneak between the blocks of apartments neighboring the market where he had been offering his merchandise. The Romanian police officers fired several shots at the two of them and eventually succeeded in stopping the car and wounding the driver. Having been shot in the leg, Boracovic was hospitalized, while his associate wisely gave himself up and is currently being investigated by the police. Several army guns, a carbine, a submachine gun, and the appropriate ammunition were found in the car.

New Border Chief Launches 'Action Plan' on Crime

AU2510132995 Bucharest EVENIMENTUL ZILEI in Romanian 21-22 Oct 95 p 1

[Report by Simona Ionescu: "Colonel Grigore Stamate Is New Head of Border Police"]

[FBIS Translated Text]

He Has Elaborated a Plan To Combat Organized Crime

A few days ago personnel changes were made at the Passport and Border Police General Directorate. Thus, Colonel Grigore Stamate, former deputy head of that directorate, was appointed chief of the border police. Col. Teodor Andruta was appointed deputy chief of the Passport and Border Police General Directorate, thus becoming the deputy of Col. Constantin Buzoianu.

As a first measure taken after his appointment to that post, Col. Stamate initiated an action plan, which is to be carried out in cooperation with the Organized Crime Fighting Brigade, to strengthen the checking operations at the principle border traffic points, with the intention of preventing and combatting actions typical of transnational criminal organizations. The principal border points in question are those in the southern part of the country, where traffic heading for Turkey exits our country, as well as those on the north-west border, exiting toward the West.

Law on Preparing Economy for Defense

95BA0298A Bucharest MONITORUL OFICIAL in Romanian 12 Jul 95 pp 1-5

["Text" of Law on Preparing the Economy and the Country for Defense]

[FBIS Translated Text]

CHAPTER I

General Provisions

Article 1. Preparing the economy and the country for defense is a component part of national defense and is based on provisions of the constitution and on the principles of the defense doctrine of Romania. This activity is comprised of a series of measures and actions that are established and implemented in peacetime to prepare the human and economic potential of the country to meet the needs of defense and to ensure the continuation of socioeconomic activity in the case of mobilization or war.

Article 2. Public authorities, by virtue of relevant provisions of the country's consitition and laws, see to the drafting of measures and activities and they coordinate and supervise activities designed to prepare the economy and the country for defense and for national mobilization.

Article 3. The Supreme Council for the Defense of Romania analyzes and approves the draft plan for mobilizing the economy and the draft national budget for the first year of a war.

Article 4. The government is responsible for preparing the economy and the country for defense. It ensures that measures in this regard are applied and, by law, that the decisions of Parliament and the Supreme Council for the Defense of Romania are implemented. To this end:

a) it organizes, coordinates, and supervises the activities of the ministries and other organs and authorities of public administration to fulfill tasks in reference to preparing the economy and the country for defense;

b) during peacetime, it prepares a draft plan for the mobilization of the economy and a draft state budget for the first year of war;

c) it establishes the obligations of the ministries, public administration authorities, and economic agents for the mobilization of the national economy and it takes measures to ensure there are the material goods and

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services necessary for the forces of the national system of defense and for the public during time of war;

d) it drafts current and long-term programs for preparing the economy and the country for defense;

e) it takes measures to execute the budgetary provisions for the financial resources and materials necessary for preparing the national economy and the country for defense;

f) it establishes measures to move from the current economic program to the implementation of the plan to mobilize the economy and it oversees their execution;

g) it coordinates the activities of research, assimilation, production, and the technical-material acquisition destined to equip the forces of the national defense system;

h) it fulfills any other attributes in this arena that are established by law.

Article 5. To execute the powers of the government in preparing the economy and the country for defense, the State Central Office for Special Issues, staffed by military and civilian specialists, operates in subordination to the government. The organization, operation, and powers of the State Central Office for Special Issues are established through a government decision.

CHAPTER II

Preparing the Economy for Defense

Article 6. To meet the demands for goods and services required for the forces of the national defense system, as well as the needs of the economy and population during wartime, the State Central Office for Special Issues produces a draft plan for mobilizing the economy for the first year of a war.

Article 7. The draft plan for mobilizing the economy is composed of the tasks of the ministries, the other authorities of public administration, economic agents, and public institutions to meet the needs of the forces of the national defense system, the economy, and the populace for the first year of a war, as well as the resources that it will use toward this end. The Finance Ministry will prepare a draft national budget for the first year of a war based on the draft plan for mobilizing the economy.

Article 8. The ministries, other public administration authorities, economic agents, and public and social institutions are obliged to take measures during peacetime to fulfill the tasks they have been given in the plan for mobilizing the economy that are sent by the State Central Office for Special Issues, in the areas that apply. To this end, they prepare the necessary documentation for preparing for mobilization.

Article 9. Measures for preparing the economy for defense that are taken during peacetime are found in the current and long-term programs and refer to: establishing, creating, and maintaining the capacities and reserves for mobilization, preparing the documentation, drafting studies and basic documents, as well as other actions deemed necessary.

Article 10. The plan for mobilizing the economy and the draft budget for the first year of a war are developed as often as necessary.

Article 11. Applying the plan for mobilizing the economy and executing the state budget for the first year of a war require the approval of Parliament with the recommendation of the Supreme Council for the Defense of Romania.

Article 12. Economic agents and public institutions, according to the obligations that fall to them in the plan for mobilizing the economy and in the current and long-term programs, establish, create and maintain during peacetime, the capacities and reserves for mobilization that are necessary to fulfill their particular missions.

Article 13. The following are mobilization capacities:

a) in industry: the established capacities for research and production to produce or repair during time of mobilization or war, military equipment and materiel as well as those trained in cooperating to achieve this production;

b) in transportation and communications: the means, installations, and necessary arrangements to satisfy either in time of mobilization or war, exclusively, the needs for transport and telecommunications of the components of the national defense system;

c) in the area of public health: existing hospitals in the health network, and other locations that in time of mobilization will be transformed into hospitals in interior regions or first aid medical and surgical stations, research units, laboratories for preventive medicine and production, and pharmaceutical firms named to provide medical and health assistance to the sick and wounded forces of the national defense system, as well as victims of war among the general population;

d) from the national reserves of materials: 30 percent of the amount stockpiled.

Article 14. The capacities for mobilization may be used on a temporary basis during peacetime on the recommendation of the Ministry of National Defense and with the advice of the State Central Office for Special Issues, on the condition that they be returned to the initial destination within a maximum of 30 days

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from the declaration of mobilization or a state of war. State business and public institutions are obliged to maintain in a normal state of repair the equipments and installations of mobilization being used as described in the preceeding paragraph. Mobilization capacities that are not used will be stored according to the recommendations of the State Central Office for Special Issues and of the Finance Ministry.

Article 15. Changes to the profile of the capacities for production defined as mobilization capacities are made through a decision of the Supreme Council for the Defense of Romania, at the suggestion of the State Central Office for Special Issues and with the consent of the Ministry of National Defense, based on requests from the economic agents in question.

Article 16. The technical documentation necessary for producing the military products called for in the mobilization plan for the economic enterprises is developed under the conditions set by the government and constitute a mobilization reserve.

Article 17. Mobilization reserves are state public property and are comprised of:

a) in industry: raw materials, materials, semimanufactured goods, subassemblies, and completed elements, specialized equipment, tools, devices, measuring tools, and other materials necessary for the production and repair processes;

b) in transportation and communicatiions: materials destined to reestablish and maintain in working order the capacities for transportation and communcations necessary to meet the needs of the forces of national defense;

c) in the field of public health: consumable health and pharmaceutical materials, the raw materials and materials necessary to produce pharmaceuticals, equipment, medical instruments, and the other materials necessary to outfit the existing medical and health facilities as well as others that would be created in time of war;

d) in the area of commerce: supplies and industrial products necessary to meet the needs of the military units sought locally during a mobilization.

Article 18. National material reserves, established and administered by law, are incorporated in the mobilization reserves in the following manner: during peacetime, for the stocks established as intangible stocks destined for the needs of the army and defense industry, and during time of war, for the stocks that exist in depots at that respective time.

Article 19. Mobilization reserves generally are comprised of products that are difficult to provide or have a long production cycle, and that are obtained either through domestic production or through import. The list of materials and their quantities that constitute the mobilization reserves are approved by the Supreme Council of the Defense of Romania together with the plan of mobilization. The list is prepared annually by the State Central Office for Special Issues. The State Central Office for Special Issues sets the annual quantities of the materials in the mobilization reserve according to the priorities provided by the Ministry of National Defense.

Article 20. Terms that refer to the method for establishing, creating, and maintaining the mobilization capacities and products called for in the mobilization plans of the garrisons are regulated by decisions of the government.

Article 21. Economic agents and public institutions where mobilization reserves have been created must provide management and storage of these materials separate from the materials in daily use. The stockpiling and handling of these materials must conform to the regulations and instructions in effect.

Article 22. Economic agents and public institutions must take the necessary technical measures for storage and stockpiling to avoid the degredation of the raw materials and products subject to spoilage. They also must refresh the stocks in a timely and systematic manner according to their own annual plans approved by the State Central Office for Special Issues and the Ministry of National Defense. Those goods and materials that cannot be refreshed must be maintained in the reserves until they reach their expiration date as set in the instructions after which they can be removed for sale or disposal as indicated.

Article 23. Borrowing stock from the mobilization reserves is done only by exception and with the approval of the government. This process is initiated by the relevant ministries, with the approval in advance by the State Central Office for Special Issues and the Ministry of National Defense.

Article 24. The permanent removal and sale of products from the mobilization reserves requires a modification to the tasks in the mobilization plan in which they are found, or to relevant production technologies, with the approval of the State Central Office for Special Issues and with the advice of the Ministry of National Defense.

Article 25. Materials from the mobilization reserves may be used to mitigate the impact of natural disasters or catastrophies through a government decision upon the proposal of the relevant ministries, with the approval of the State Central Office for Special Issues and the Ministry of National Defense. The mobilization

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reserves will be restored according to a schedule set by government decision.

Article 26. Ensuring the workforce necessary to implement the mobilization plan for the national economy will be achieved by using personnel with no military obligations and by mobilizing at the work place specialists with military obligations where essential and under conditions stipulated by government decision.

Article 27. In order to identify the existing resources in the national material reserves that can be used to meet the needs of the annual mobilization plan, the National Administration of Material Reserves will communicate to the State Central Office for Special Issues the situation of these stocks according to the reserves listing of the respective products.

Article 28. To meet the needs of military units during mobilization, economic agents, regardless of private or public ownership, are obliged to make available to these units, in full conformity with the law, the goods and services laid out in the mobilization plan for the particular garrisons. On the date of a declaration of mobilization, these materials will be drawn from the current existing stocks in the reserves of the relevant economic agents, as well as from the intangible stocks that have been established for this purpose and financed by the state budget.

Article 29. At the direction of the Ministry of National Defense, the Ministry of the Interior and the other ministries with a defense role, economic agents are obliged to take custody of the perishable goods necessary for war. The technical conditions for managing, exchanging, and payment of tariffs are established through contracts between the economic agents and the authorized representatives of the beneficiaries according to government decision.

CHAPTER III

Preparing the Country for Defense

Article 30. The objectives for preparing the country to meet the operational needs of the forces of the national defense system are established by the General Staff, the Ministry of the Interior, and the intelligence services, each in their own area of speciality, and are forwarded for approval of the Supreme Council for the Defense of Romania by the General Staff and the State Central Office for Special Issues. The approved objectives are sent by the State Central Office for Special Issues to the central organ of public administration specialized in preparing the country, public works, and town planning, to be included in the national plan for preparing the country, and to the appropriate ministries to be included in their current and long term programs so that these objectives can be met during peacetime.

Article 31. Objectives for preparing the country for defense are included in the plan for mobilizing the national economy for the first year of a war.

Article 32. Measures to prepare the country that refer to protecting the citizenry, material goods of any kind, as well as national treasures of Romanian culture, measures against the effects of weapons of mass destruction, incendiary weapons, and conventional weapons, are established and executed according to the laws for civil defense.

Article 33. The responsibility for creating, exploiting, and maintaining the objectives for preparing the country for defense falls to the appropriate ministries and authorities of public administration depending on the particular objective.

CHAPTER IV

Financing the Preparation of the Economy and Country for Defense

Article 34. The necessary funds for realizing the measures and taking the actions to prepare the economy and the country for defense are allocated in the state budget. The authorities of national and local public administration request these funds annually from the Ministry of Finance, with the advice of the State Central Office for Special Issues. The documentation for the funds that are allocated from the state budget to prepare the economy and the country for defense are prepared by the ministries and the authorities of national and local public administration on the basis of request from the affected economic agents.

Article 35. The State Central Office for Special Issues coordinates, advises on, and exercises supervision over the manner in which funds allocated for preparing the economy and country for defense are put to use. It monitors the funds that are provided to the ministries and other authorities of national and local public administration, to ensure that they are expended in strict conformity to the purposes for which they were allocated.

Article 36. Financing the preparation of the economy and the country for defense and the preparation of the draft budget for the first year of a war are accomplished according to the regulations and instructions developed by the Ministry of Finance.

Article 37. The expenses tied to planning and implementation of internal planning for defense in the ministries, the authorities of national and local public ad-

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ministration, economic agents, and social institutions are supported in their own budgets.

CHAPTER V

Attributes of the Ministries, Prefectures, County Councils, Local Councils, and Economic Agents Regarding the Preparation of the National Economy and Country for Defense

Article 38. The ministries, prefectures, county and local councils, depending on their jurisdictions and each in their own area of responsibility, have the following general responsibilities:

a) to develop proposals for the draft mobilization plan of the economy and for the draft budget for the first year of war, and to take measures to prepare the economy to ensure that the needs of the forces of the system of national defense, the economy, and the population are met in time of mobilization or war;

b) to establish, create, and oversee mobilization capacities and reserves through current and long-term programs and to request the funds necessary to realize these programs;

c) to prepare on the basis of a methodology and framework provided by the State Central Office for Special Issues, work schema for preparing for the economic mobilization of the economic agents in their own system and to coordinate their activities;

d) to take measures to achieve the objectives for preparing the country for defense that are approved by the Supreme Council for the Defense of Romania.

Article 39. The Ministry of National Defense, the Ministry of the Interior, and the intelligence agencies transmit to the State Central Office for Special Issues, their requirements for the goods and services necessary for war, according to the measures established to provide these requirements. To ensure that during a time of mobilization the goods and services that are required by the garrisons at the local level are provided, these requirements are specified in the garrison plan that is transmitted to the county councils.

Article 40. The relevant organizations that prepare the government's economic plan have the following specific principal responsibilities:

a) jointly with the State Central Office for Special Issues, develop the economic program for a state of mobilization or state of war;

b) draft a strategy to redirect sectors of the economy on the basis of estimates concerning their productive potential and the degree to which they will be required, in order to prepare or implement the plan for mobilizing the economy;

c) prepare programs for supplying the population with foodstuffs and industrial goods for consumption should a rationing plan become necessary to meet the basic needs of the population in the event of mobilization or war.

Article 41. The Ministry of Finance has the following principle responsibilities:

a) draw up a draft state budget for the first year of the war;

b) include in the annual draft state budget, the funds requested for executing, by means of current programs, the measures for preparing the economy and territory for defense.

Article 42. The ministries, on the basis of government economic programs, have the following principal responsibilities each in their own area of specialty:

A. ***in industry***

a) develop a plan of activity for the sectors and subsectors of the extractive and production industries in a war situation to meet on a priority basis the needs of the forces of the national defense system, the economy, and the populace;

b) correlate resources use to ensure the functioning of the economy;

c) establish measures to ensure a continuing production of electrical energy and the stability of the overall national energy system in time of mobilization or war.

B. ***in transportation***

a) develop a wartime transportation plan;

b) establish measures to protect and return to the country transportation capacities that are abroad;

c) include the objectives for the operational preparation of the country approved by the Supreme Council for the Defense of Romania, in the programs for the development and improvement of transportation;

C. ***in telecommunications***

a) develop a wartime plan for telecommunications;

b) establish measures to ensure international telecommunications connectivity;

c) include the objectives for the operational preparation of the country approved by the Supreme Council for the Defense of Romania in the programs to develop and improve telecommunications.

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D. *in labor and social security*

a) develop plans for using the workforce in time of mobilization or war, maintain records on the work force in the territorial plan and take measures for covering shortfalls by redistributing personnel on the local level;

b) using the territorial services, redeploy any surplus of workers to areas needing their services, according to legal norms.

E. *in public health*

a) develop a health services plan for times of mobilization or war;

b) develop measures to provide for the medical assistance of the civilian population and the hospitalization of the wounded and sick evacuated from military field hospitals;

c) take measures to ensure a supply of medicines and pharmaceuticals;

d) organize medical assistance for the vicitims of military actions.

F. *in agriculture and the food industry*

a) develop a plan of technical and organizational measures for the public and private sectors that will permit the continuation of agricultural work during wartime.

b) establish measures to ensure the supply of primary food products destined for the forces of the national defense system and the population during wartime;

c) organize and coordinate the activities of specialists in animal and plant husbandry.

G. *in trade and tourism*

a) develop a plan for organizing and executing the activities of public and private enterprises during wartime;

b) develop a plan for distributing goods by introducing a distribution system for the populace for the principal agricultural and nonagricultural products based on ration books and rationing.

H. *in public works and preparation of the country*

a) develop a plan for public works and preparation of the country during times of mobilization or war;

b) take measures to coordinate the implementation of objectives for preparing the country for defense that are found in the plan for preparing the country;

c) pursue the integration of the objectives for preparing the country for defense in the programs for public works;

d) develop contingencies for using the capacities of the various economic agents to allow them to be brought to bear quickly on damaged vital installations to ensure the latter can be brought back on line quickly during wartime.

Article 43. The prefectures and the county and local councils, each in their own area of activity, have the following principal specific responsibilities:

a) organize, coordinate, and conduct activities to prepare the economy and the country for defense in the areas of public service that are decentralized from the ministries and other specialized organs of public administration in the territorial administrative bodies;

b) take measures and create conditions to achieve the objectives set, directing local economic agents to fulfill their own programs of activity in the specialized conditions, prescribed by law, during times of mobilization or war;

c) propose the inclusion of certain objectives for preparing the country for defense in the current and long-term investment programs of the county and local councils, and work towards their implementation;

d) establish sources of supply and pursue a model for meeting the demands for material goods and services for the military units under mobilization in the garrison plan;

e) develop programs for delivering food products and industrial products that will be rationed in special situations determined by law;

f) using the county's enterprises, ensure the locations, housing, materials, and transportation necessary for the medical and health facilities that will be established during special situations determined by law, and during times of mobilization;

g) make proposals to develop a plan for evacuating the population and priceless national treasures, archives, materials, and other items of national interest, and ensure that there will be the necessary transportation, housing, and storage spaces;

h) develop and maintain data for the special forces that will be employed under special conditions, as specified by law, or during wartime, establishing tasks and methods for using these forces.

Article 44. The ministries, the other authorities of central and local administration, economic agents, and social institutions fulfill any other tasks established by law or other normative acts that regulate activities to prepare the national economy and the country for defense.

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Article 45. Economic agents and social institutions of any type have an obligation to take measures to fulfill any mission that falls on them for defense. To this end, they will adapt their organizational structures to allow them to operate in case of mobilization or war, using the full material and human potential that they have at their disposal.

Article 46. The leadership of authorities of central and local public administration as well as the leadership of any other economic agent or social institution have the responsibility, each in their own area of activity, to fulfill the tasks that fall to them in the area of preparing the economy and the country for defense. To this end, there are organizations subordinate to them that are staffed by military or civilian specialists, as a function of the volume and complexity of their activities that have been established by government decision. At the prefecture level, these specialized organs are decentralized services of the State Central Office for Special Issues. The leaders of the respective authorities present to Parliament, to the Supreme Council for the Defense of the Country, or to the government depending on the situation, reports concerning the status of these activities whenever they are requested to do so.

Article 47. The ministries, the county, municipal, city, and commune councils of public administration, as well as the administrative councils of the enterprises will review annually or whenever the need arises, how they are fulfilling their respective tasks regarding the preparation of the national economy and the country for defense, and they will take corrective measures as appropriate.

Article 48. The ministries and the other organs of central and local administration, public institutions, and enterprises are required to present to the State Central Office for Special Issues, data and information regarding their economic and human potential to fulfill the tasks they have been given in accordance with the law.

CHAPTER VI

Penalties

Article 49. The failure to respect the provisions of this law may result in incarceration or in administrative or civil fines depending on the situation.

Article 50. The following constitute offenses if they are not committed in such a fashion as to be considered infractions:

a) inadequate handling of mobilization reserves and capacities;

b) failure to respect the conditions called for in warnings provided by the proper organizations;

c) hindering in any fashion the ability of supervisory organizations to carry out their missions; .

d) failure to provide documentation or to provide documentation containing erroneous information or only partially executing work called for in the laws and methodologies currently in place;

e) failure to respect the norms for refreshing perishable products that have accumulated in the mobilization reserves;

f) refusal to furnish data and information referring to one's activities;

g) the refusal to establish, maintain, and refresh intangible stocks.

Article 51. Offenses described in Article 50, letters a, b, e, and g are punished by fines ranging from 2 million-10 million lei [L], and those in letters c, d, and f with fines from L500,000-4 million.

Article 52. The determination of offenses and the application of fines are established by government decisions.

Article 53. The dispositions in Articles 51-53 are in keeping with the provisions of Law No. 32/1968 regarding the establishment and punishment of offenses.

CHAPTER VII

Final Issues

Article 54. Any conflicting dispositions are abrogated on the date that this law goes into effect.

Article 55. This law goes into effect on the date of its publication in the MONITORUL OFICIAL of Romania.

This law was adopted by the Senate in its 19 June 1995 session in accordance with the provisions of Article 74, Paragraph 1 of the Constitution of Romania.

Senate President Oliviu Gherman, PhD

This law was adopted by the Chamber of Deputies in its 21 June 1995 session in accordance with the provisions of Article 74, Paragraph 1 of the Constitution of Romania.

Radu Berceanu, president of the Chamber of Deputies

Bucharest, 5 July 1995

Law No. 73

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UDMR Agrees to Education Law Modifications

AU2610222195 Bucharest Radio Romania Network in Romanian 1100 GMT 26 Oct 95

[FBIS Translated Text] The Democratic Union of Hungarians in Romania [UDMR] will vote in favor of any modification to the education law that will improve the Romanian school system, stated UDMR Deputies Gyorgy Tokay and Arpad Marton at the news conference that was held today at the Parliament Palace.

The UDMR parliament members expressed their belief that the education law will be modified, and mentioned that they also initiated a draft in this respect that will be discussed by the specialty commission of the Chamber of Deputies. In that draft, one can find both the claims of students as well as a number of individual viewpoints of the UDMR.

Deputy Ferenc Asztalos reasserted the UDMR position toward the current form of the education law, saying that during debates in Parliament, the amendments formulated by the political formation that he is representing have been rejected.

Deputy Arpad Marton added that the UDMR will support modifications to the education law aimed at decentralization and democratization, even if the UDMR's individual viewpoints will not be adopted. Deputy Benedek Nagy rejected the assertion that the UDMR allegedly had a role in provoking the student actions in the past few days.

Student Demands Accepted

AU2610222095 Bucharest Radio Romania Network in Romanian 1700 GMT 26 Oct 95

[FBIS Translated Text] At the end of the meeting held this afternoon between representatives of the protesting students and the Chamber of Deputies Education Commission, the chairman of the commission Romulus Dabu told our correspondent that all reasonable demands by the protesters have been accepted.

The major issues to which the commission agreed were to eliminate the fee for repeating classes and for reexaminations, establish a minimum level of scholarship that can cover the cost of housing and meals, to which 20 percent of this amount will be added, and apply a 50-percent discount for local public transportation fares, including the underground, as well as for internal road, rail, and naval means of transport throughout the year for pupils and students.

In this respect, a draft will be submitted next week at the plenary meeting of the Chamber of Deputies.

The spokesman of the Bucharest University Students League said that he will request that the amendments not accepted today by the deputies be submitted for a vote at the plenary meeting of the Chamber of Deputies. He stated that, under these circumstances, the strike will continue until all claims are solved, our correspondent Carmen Petcu informed us.

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Federal

FRY President Lilic: Final Peace 'A Step Away'

LD2610223795 Belgrade TANJUG in English 2105 GMT 26 Oct 95

["Pool" item]

[FBIS Transcribed Text] Leskovac, Yugoslavia, Oct 26 (TANJUG) — Yugoslav President Zoran Lilic said on Thursday that final peace in former Yugoslavia was only a step away.

'We are only a step from the goal, a step from final peace and the affirmation of the policy we have pursued continually since the outbreak of civil war in former Yugoslavia,' Lilic said, meeting local officials in southeastern Serbia.

Speaking with local government officials and business executives from six municipalities in the region, Lilic said that it had been the policy of the Federal Republic of Yugoslavia that solutions should be sought through dialogue and political methods.

Yugoslavia has been making active and agile efforts for a peaceful end of the civil war in former Yugoslavia, investing all its strength and enjoying overwhelming support from its people, he added.

Lilic said that Yugoslavia had constantly striven for a peace settlement, from the 1992 plan of Portuguese diplomat Jose Cutilheiro, to the present day and the latest plan put forth by the United States.

'This has been our position in dealings with both the international community and some Serb leaders who thought that different solutions were possible, that a solution could be found through war, which I am deeply convinced is not in the best interest of the Serbian people,' he said.

'On our road, the most important part has certainly been played by (Serbian President) Slobodan Milosevic and I think that this contribution of Serbia should be recognised loud and clear,' Lilic said.

Serbia, together with Montenegro, forms the Federal Republic of Yugoslavia.

'We are getting close to our goal, we are getting close to the end of the war and the end of the suffering and destruction,' Lilic said.

The most important thing now, he added, is not to give in to outside pressure or pressure from any of the warring parties, and to stand firm on the principles agreed at the Geneva and New York conferences (in September for ending the war in Bosnia-Herzegovina).

Lilic said it was the obligation of the international [words indistinct] and the United States to be the guarantors of the implementation of the principles agreed at Geneva and New York, to be the true and just implementers of the peace accords based on those principles.

Anything else would be immoral, to put it mildly, and would lead to a wider war, he added.

Lilic described Croatia's threats addressed to the Serbs 'as irrational and highly risky, to say the least,' and added that Yugoslavia could accept only talks held between Serbs and Croats to settle territorial and property disputes.

He said that the Croatian Government had set an incredible precedent when it appropriated absolutely the entire Serb property, taking a course of action previously unknown in the world.

Lilic stressed that the Federal Republic of Yugoslavia had every right to expect its active role in the peace effort to be awarded by the lifting of the sanctions and the country's reintegration in international institutions.

This should give Yugoslavia a chance 'to wage a new battle, this time for work and prosperity at home, and certainly for a higher standard of living for its people and, most importantly, for a safer and better future for the coming generations,' he said.

The sanctions were clamped by the United Nations in May 1992 on the allegation of Yugoslavia's involvement in civil war in neighbouring Bosnia-Herzegovina.

Croat Threats 'Very Risky'

AU2610183595 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 26 Oct 95

[Report by Dragoljub Stankic from Leskovac]

[FBIS Translated Excerpt] [Stankic] Addressing the business and political leadership of Jablanica district, FRY President Zoran Lilic emphasized that we are only a step away from our goal — lasting peace and full affirmation of the policy that our country has pursued continuously since the outbreak of the war in the former Yugoslavia, a policy that has seen a solution primarily in peace and dialogue through political means.

[Begin Lilic recording] Since 1992, practically since the Cutilheiro plan until this recent plan called the U.S. plan — that is, via the Contact Group plan to the U.S. plan — our side has been recommending initiatives precisely in this vein — I deliberately say recommending — to the international community, but also to some leaders of the Serbian people who believed that things could

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be different, that other solutions were possible, that solutions could be found in a war, and that solutions that deeply [words indistinct] in the interest of the Serbian people as a whole were possible. Serbia and Slobodan Milosevic have definitely played the most significant role on this path of ours, and I believe this should be clearly and publicly acknowledged to Serbia and President Milosevic.

Why did I say that we had to convince the international community and some members of our own nation that the only solution is in peace? Because the international community, with its double standards and lack of understanding for the essence of the conflict between the Serbs, the Muslims, and the Croats, contributed considerably toward the favoring of the Croatian-Muslim coalition in that unfortunate civil war. I deliberately say that unfortunate civil war, because I believe that this is a matter of the past, even though there are still sporadic skirmishes on that territory.

Today when the United States, I believe, has the steering wheel of the peace process firmly in its hands, we are approaching our goal — the end of the war and the end of further suffering and destruction. The basic precondition is, of course, not to succumb to the pressures of any side in the conflict, but to stand firmly on the principles of the Geneva and the New York conferences, when the Muslim-Croatian Federation and the Serb Republic finally gained their definite legitimacy and were guaranteed equal rights within the framework of the Bosnia-Herzegovina union but also options outside Bosnia-Herzegovina. The international community, as well as the United States, is obliged to honor everything that they have pledged, that they be a guarantor of the realization of the principles adopted in Geneva and New York, and a true and just organizer of the peace talks on the above principles. Anything short of this would be immoral, to put it mildly, and a fast track to a war of wide dimensions. I believe that this cannot be in the interest of the United States or any other segment of the international community. It is precisely for that reason that I believe the talks that will commence in few days, on 1 November, stand a realistic chance for success, despite all the difficulties that will emerge.

These talks must also resolve the problem of an enormous number of refugees after the Croatian offensives against the Republic of Serbian Krajina and the Serbian Republic, as well as what I would call an internationally unprecedented ethnic cleansing and disregard for the human rights by the Croatian authorities. I would like to emphasize at this gathering that any new threats by Croatia issued to the Serbian people are irrational and very risky, to say the least. The FRY can only accept the talks between the Serbs and the Croats in the resolution of the controversial territorial as well as property issues. Why property issues? Because the authorities of the Republic of Croatia have set an unbelievable precedent by seizing virtually all private property, which is without parallel in the world, and a paramount of a state policy that we know very well. We never spoke about the reintegration of Srem and Baranja into Croatia's framework. We spoke about the talks between the Serbian and the Croatian side.

Undoubtedly, the FRY with its active role in the restoration of peace is justified to also expect the lifting of sanctions and its full comeback into the institutions of the international community, which will create a possibility to start a new battle. You here have partially already given an answer as to what kind of a battle this will be — the battle for growth and prosperity of the FRY. [end recording] [passage omitted]

Army Chief Perisic Leaves on Visit to Greece

LD2610190795 Belgrade TANJUG Domestic Service in Serbo-Croatian 1839 GMT 26 Oct 95

[FBIS Translated Text] Belgrade, 26 Oct (TANJUG)— Colonel General Momcilo Perisic, chief of the General Staff of the Yugoslav Army, and colleagues left today on a short visit to Greece at the invitation of Admiral Khristos Lymberis, chief of the National Defense General Staff of the Republic of Greece.

The Yugoslav Army information department has announced that the two chiefs of staff will exchange views on the current situation in the region and the scope for further development of inter-army cooperation after the lifting of sanctions.

The armed forces of the Republic of Greece and the Yugoslav Army, by their overall behavior, are making their full contribution to the stabilization of circumstances in this part of Europe in the spirit of the principled policy of peace that has traditionally been conducted by Greece and the Federal Republic of Yugoslavia.

Serbia

Editorial Denies Serbian Paramilitary Atrocities

AU2410134195 Belgrade POLITIKA in Serbo-Croatian 23 Oct 95 p 2

[Editorial by Hadzi Dragan Antic: "Shots at Conference"]

[FBIS Translated Text] On Friday 20 October the prominent New York daily THE NEW YORK TIMES carried on its front page a report by two Western

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officials on new mass killings by the Bosnian Serbs of Muslim civilians in northwestern Bosnia.

"The alleged murders in the Banja Luka region, the scene of heavy fighting over the last few weeks, have been committed by apparent paramilitary groups close to the Serbian leadership in Belgrade."

The UN Security Council on Friday also dealt with the Croatian crimes against the Serbs but, in order to establish a "balance," it also mentioned "crimes" against the non-Serb population in the Banja Luka region, particularly recently since paramilitary groups began to operate in the region.

Security Council chairman, Nigerian Ambassador Ibrahim Gambari, informed reporters after the session that "disturbing" reports had been received from the ground, and that he was "shocked" by them.

All these reports come at a time when final preparations are getting under way for the trilateral talks in Dayton on 31 October, when the peace talks are to begin for the final solution to the disputed issues in Bosnia-Herzegovina.

At the time when peace in the former Yugoslavia is around the corner, the U.S. media are again launching a campaign against the Serbs.

What is the purpose and to what end are these unproven claims of "alleged murders by apparent paramilitary groups?" Why is everyone ignoring the fact that over the last few weeks 200,000 Serb families [as published] had to leave their homes in front of the Croat-Muslim offensive aided by the regular Croatian Army troops? Let us remember that a similar number of Serbs, if not more, had to leave the Republic of Serbian Krajina in the recent "Storm" operation. Cannot this justifiably be called ethnic cleansing and murder of innocent civilians?

What the U.S. officials have to know is that Belgrade is not behind any paramilitary formation, and that it does not approve of the killing of innocent civilians. All those who have committed crimes in this war should be tried. The international community must have the same attitude toward all the war criminals.

Our experience with the media campaigns so far — which have always as a rule been directed against the Serbs as the sole perpetrators of war crimes — warns us to be very cautious with reports by Western observers.

We believe that the Security Council will give due attention to the fact that the Croatian authorities are refusing to cooperate in discovering the monstrous crimes against the Serb population, and the violations of international law and basic human rights.

Accusations directed against one side only cannot be interpreted as anything but another shot at the upcoming conference, which is aimed at bringing the people in this region tranquility, peace, and the suspension of the sanctions.

Former Deputy PM Appointed Milosevic Adviser

AU2610215395 Belgrade TELEGRAF in Serbo-Croatian 25 Oct 95 p 7

[Unattributed report: "Zeljko Simic Is Again Adviser to Milosevic and a Candidate for One of the Leading SPS Posts"]

[FBIS Translated Text] After a fairly long absence from the political scene, Zeljko Simic, former deputy prime minister in the federal government, is again, as TELEGRAF has learned, in the focus of the Serbian political scene. Simic recently became an adviser to Serbian President Slobodan Milosevic. He held that position before becoming federal deputy prime minister.

TELEGRAF's sources close to the SPS [Socialist Party of Serbia] leadership claim that Simic's return to the political scene will not end with the advisory position. In the circles of the ruling Serbian party, Simic is already considered a candidate for one of the leading SPS posts. There is even a mention of the possibility of Zeljko Simic becoming SPS secretary general.

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